

SECTION A: CONTRACT AMENDMENT

1. AMENDMENT #: 13	2. CONTRACT #: YH17-0001	3. EFFECTIVE DATE OF AMENDMENT: OCTOBER 1, 2020	4. PROGRAM: RBHA - MARICOPA COUNTY
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5. CONTRACTOR NAME AND ADDRESS:

6. PURPOSE: To amend and extend the Term of Contract through September 30, 2022; to amend the following Contract Sections effective October 1, 2020 until otherwise amended: Section C, Definitions, Section D, Program Requirements, Section E, Terms and Conditions, and Section F, Attachments; and to amend Section B, Capitation Rates and Contractor Specific Requirements effective October 1, 2020 until otherwise amended by Contract.

7. THE ABOVE REFERENCED CONTRACT IS HEREBY AMENDED AS FOLLOWS:

- **Section B, Capitation Rates and Contractor Specific Requirements**
- **Section C, Definitions**
- **Section D, Program Requirements**
- **Section E, Terms and Conditions**
- **Section F, Attachments**

Therefore, this Contract is hereby REMOVED IN ITS ENTIRETY, including but not limited to all terms, conditions, requirements, and pricing and is amended, restated and REPLACED with the documents attached hereto as of the Effective Date of this Amendment.

8. **IN WITNESS WHEREOF THE PARTIES HERETO SIGN THEIR NAMES IN AGREEMENT.**

9. SIGNATURE OF AUTHORIZED REPRESENTATIVE: DO NOT SIGN SEE SEPARATE SIGNATURE PAGE	10. SIGNATURE OF AHCCCS CONTRACTING OFFICER: DO NOT SIGN SEE SEPARATE SIGNATURE PAGE
TYPED NAME:	TYPED NAME:
TITLE:	TITLE:
DATE:	DATE:

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SECTION B: CAPITATION RATES AND CONTRACTOR SPECIFIC REQUIREMENTS

AHCCCS anticipates that the CYE 2021 capitation rates will be finalized after October 1, 2020. Therefore, effective October 1, 2020 AHCCCS will pay the current CYE 2020 capitation rates (i.e. extension of Amendment 11 Capitation Rates). At the time the new rates for CYE21 are finalized, AHCCCS intends to retroactively mass adjust capitation rates to reflect the new CYE 2021 rates, back to the effective date of 10/01/20. The Contractor shall provide services as specified in this Contract. In consideration for these services, the Contractor will be paid Contractor-specific rates per member per month effective October 1, 2020 until otherwise modified by Contract amendment.

Maricopa County RBHA Capitation Rates Effective October 1, 2020	
Title XIX eligible children, enrolled in CMDP (represents the cost of providing covered behavioral health services to children):	\$817.98
Title XIX/Title XXI eligible adults (represents the cost of providing covered behavioral health services to adult members with serious mental illness, as well as the cost of providing covered physical health services to adult members with serious mental illness integrated under this contract):	\$2,574.76
Title XIX/Title XXI eligible children (represents the cost of providing covered crisis intervention services to children):	\$1.36
Title XIX/Title XXI eligible adults (represents the cost of providing covered crisis intervention services to adult members):	\$8.79

Contractor Specific Requirements:

Geographic Service Areas: The Contractor serves eligible members in the following Geographic Service Areas (GSAs) and counties:

GSA	County
06	Maricopa

Zip Code Alignment: Zip codes 85542, 85192, and 85550 were moved from the GSA which includes Gila County and assigned to the GSA which includes Graham County. As part of the Greater AZ RBHA implementation effective October 1, 2015, this move occurred to align tribal members from a single tribe into a single RBHA. This change was implemented for this Contract as well in order to keep zip code assignment consistent between AHCCCS lines of business.

[END OF SECTION B: CAPITATION RATES AND CONTRACTOR SPECIFIC REQUIREMENTS]

SECTION C: DEFINITIONS**PART 1. DEFINITIONS PERTAINING TO ALL AHCCCS CONTRACTS**

The definitions specified in Part 1 below refer to terms found in all AHCCCS Contracts. The definitions specified in Part 2 below refer to terms that exist in one or more Contracts but do not appear in all Contracts.

638 TRIBAL FACILITY

A facility that is owned and/or operated by a Federally recognized American Indian/Alaskan Native Tribe and that is authorized to provide services pursuant to Public Law 93-638, as amended. Also referred to as: tribally owned and/or operated 638 facility, tribally owned and/or operated facility, 638 tribal facility, and tribally-operated 638 health program.

ABUSE OF THE AHCCCS PROGRAM

Provider practices that are inconsistent with sound fiscal, business, or medical practices, and result in an unnecessary cost to the AHCCCS program, or in reimbursement for services that are not medically necessary or that fail to meet professionally recognized standards for health care, noncompliance with licensure standards, misuse of billing numbers, or misuse or abuse of billing privileges. It also includes beneficiary practices that result in unnecessary cost to the AHCCCS Program [42 CFR 455.2].

ACTUARY

An individual who meets the qualification standards established by the American Academy of Actuaries for an actuary and follows the practice standards established by the Actuarial Standards Board. An actuary develops and certifies the capitation rates [42 CFR 438.2].

ADJUDICATED CLAIM

A claim that has been received and processed by the Contractor which resulted in a payment or denial of payment.

ADMINISTRATIVE SERVICES SUBCONTRACT/SUBCONTRACTOR	<p>An agreement that delegates any of the requirements of the Contract with AHCCCS, including, but not limited to the following:</p> <ol style="list-style-type: none"> 1. Claims processing, including pharmacy claims, 2. Credentialing, including those for only primary source verification (i.e. Credential Verification Organization), 3. Management Service Agreements, 4. Service Level Agreements with any Division or Subsidiary of a corporate parent owner, 5. DDD Subcontracted Health Plan(s). <p>A person (individual or entity) who holds an Administrative Services Subcontract is an Administrative Services Subcontractor.</p> <p>Providers are not Administrative Services Subcontractors.</p>
ADULT	An individual 18 years of age or older, unless the term is given a different definition by statute, rule, or policies adopted by AHCCCS.
AGENT	Any individual who has been delegated the authority to obligate or act on behalf of a provider [42 CFR 455.101].
AHCCCS AMERICAN INDIAN HEALTH PROGRAM (AIHP)	A Fee-For-Service program administered by AHCCCS for Title XIX/XXI eligible American Indians which reimburses for physical and behavioral health services provided by and through the Indian Health Service (IHS), tribal health programs operated under 638 or any other AHCCCS registered provider.
AHCCCS COMPLETE CARE CONTRACTOR	A contracted Managed Care Organization (also known as a health plan) that, except in limited circumstances, is responsible for the provision of both physical and behavioral health services to eligible Title XIX/XXI individuals enrolled by the administration.
AHCCCS CONTRACTOR OPERATIONS MANUAL (ACOM)	The ACOM provides information related to AHCCCS Contractor operations and is available on the AHCCCS website at www.azahcccs.gov .
AHCCCS ELIGIBILITY DETERMINATION	The process of determining, through an application and required verification, whether an applicant meets the criteria for Title XIX/XXI funded services.
AHCCCS MEDICAL POLICY MANUAL (AMPM)	The AMPM provides information regarding covered health care services and is available on the AHCCCS website at www.azahcccs.gov .

AHCCCS MEMBER	See "MEMBER."
AHCCCS RULES	See "ARIZONA ADMINISTRATIVE CODE."
AMBULATORY CARE	Preventive, diagnostic and treatment services provided on an outpatient basis by physicians, nurse practitioners, physician assistants and/or other health care providers.
AMERICANS with DISABILITIES ACT (ADA)	The ADA prohibits discrimination on the basis of disability and ensures equal opportunity for individuals with disabilities in employment, State and local government services, public accommodations, commercial facilities transportation, and telecommunications. Refer to the Americans with Disabilities Act of 1990, as amended, in 42 U.S.C. 126 and 47 U.S.C. 5.
APPEAL	The request for review of an adverse benefit determination.
APPEAL RESOLUTION	The written determination by the Contractor concerning an appeal.
ARIZONA ADMINISTRATIVE CODE (A.A.C.)	State regulations established pursuant to relevant statutes. Referred to in Contract as "Rules." AHCCCS Rules are State regulations which have been promulgated by the AHCCCS Administration and published by the Arizona Secretary of State.
ARIZONA DEPARTMENT OF HEALTH SERVICES (ADHS)	The State agency that has the powers and duties set forth in A.R.S. §36-104 and A.R.S. Title 36, Chapters 5 and 34.
ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM (AHCCCS)	Arizona's Medicaid Program, approved by the Centers for Medicare and Medicaid Services as a Section 1115 Demonstration Waiver and specified in A.R.S. Title 36, Chapter 29.
ARIZONA LONG TERM CARE SYSTEM (ALTCS)	An AHCCCS program which delivers long-term, acute, behavioral health and case management services as authorized by A.R.S. §36-2931 et seq., to eligible members who are either elderly and/or have physical disabilities, and to members with developmental disabilities, through contractual agreements and other arrangements.
ARIZONA REVISED STATUTES (A.R.S.)	Laws of the State of Arizona.
ATTACHMENT	Any item labeled as an Attachment in the Contract or placed in the Attachments section of the Contract.

AUTHORIZED REPRESENTATIVE	An individual who is authorized to apply for medical assistance or act on behalf of another individual (A.A.C. R9-22-101, A.A.C. R9-28-401).
BALANCED BUDGET ACT (BBA)	See “MEDICAID MANAGED CARE REGULATIONS.”
BEHAVIORAL HEALTH (BH)	Mental health and substance use collectively.
BEHAVIORAL HEALTH DISORDER	Any behavioral, mental health, and/or substance use diagnoses found in the most current version of the Diagnostic and Statistical Manual of Mental Disorders (DSM) excluding those diagnoses such as intellectual disability, learning disorders and dementia, which are not typically responsive to mental health or substance use treatment.
BEHAVIORAL HEALTH PROFESSIONAL	<ol style="list-style-type: none">1. An individual licensed under A.R.S. Title 32, Chapter 33, whose scope of practice allows the individual to:<ol style="list-style-type: none">a. Independently engage in the practice of behavioral health as defined in A.R.S. §32-3251, orb. Except for a licensed substance abuse technician, engage in the practice of behavioral health as defined in A.R.S. §32-3251 under direct supervision as defined in A.A.C. R4-6-101:2. A psychiatrist as defined in A.R.S. §36-501,3. A psychologist as defined in A.R.S. §32-2061,4. A physician,5. A behavior analyst as defined in A.R.S. §32-2091, or6. A registered nurse practitioner licensed as an adult psychiatric and mental health nurse, or7. A registered nurse with:<ol style="list-style-type: none">a. A psychiatric-mental health nursing certification, orb. One year of experience providing behavioral health services.
BEHAVIORAL HEALTH SERVICES	Physician or practitioner services, nursing services, health-related services, or ancillary services provided to an individual to address the individual’s behavioral health issue. See also “COVERED SERVICES.”
BOARD CERTIFIED	An individual who has successfully completed all prerequisites of the respective specialty board and successfully passed the required examination for certification and when applicable, requirements for maintenance of certification.

BORDER COMMUNITIES	Cities, towns or municipalities located in Arizona and within a designated geographic service area whose residents typically receive primary or emergency care in adjacent Geographic Service Areas (GSA) or neighboring states, excluding neighboring countries, due to service availability or distance.
CAPITATION	Payment to a Contractor by AHCCCS of a fixed monthly payment per person in advance, for which the Contractor provides a full range of covered services as authorized under A.R.S. §36-2904 and A.R.S. §36-2907.
CENTERS OF EXCELLENCE	A facility and/or program that is recognized as providing the highest levels of leadership, quality, and service. Centers of Excellence align physicians and other providers to achieve higher value through greater focus on appropriateness of care, clinical excellence, and patient satisfaction.
CENTERS FOR MEDICARE AND MEDICAID SERVICES (CMS)	An organization within the United States Department of Health and Human Services, which administers the Medicare and Medicaid programs and the State Children’s Health Insurance Program.
CHANGE IN ORGANIZATIONAL STRUCTURE	Any of the following: <ol style="list-style-type: none">Acquisition,Change in organizational documents (e.g. Amendments to Articles of Incorporation, Articles of Incorporation Articles of Organization, or Certificate of Partnership,Change in Ownership,Change of Management Services Agreement Subcontractor (to the extent management of all or substantially all plan functions has been delegated to meet AHCCCS contractual requirements).Joint Venture,Merger,Reorganization,State Agency Reorganization resulting from an act of the Governor of the State of Arizona or the Arizona State Legislature,Other applicable changes which may cause:<ol style="list-style-type: none">A change in the Employer Identification Number/Tax Identification Number (EIN/TIN),Changes in critical member information, including the website, member or provider handbook and member ID card, orA change in legal entity name.

CHILD	An individual under the age of 18, unless the term is given a different definition by statute, rule or policies adopted by AHCCCS.
CHILD AND FAMILY TEAM (CFT)	A defined group of individuals that includes, at a minimum, the child and his or her family, a behavioral health representative, and any individuals important in the child's life that are identified and invited to participate by the child and family. This may include teachers, extended family members, friends, family support partners, healthcare providers, coaches, and community resource providers, representatives from churches, synagogues, or mosques, agents from other service systems like (DCS) Department of Child Safety or the Division of Developmental Disabilities (DDD). The size, scope, and intensity of involvement of the team members are determined by the objectives established for the child, the needs of the family in providing for the child, and by who is needed to develop an effective service plan, and can therefore expand and contract as necessary to be successful on behalf of the child.
CLAIM DISPUTE	A dispute, filed by a provider or Contractor, whichever is applicable, involving a payment of a claim, denial of a claim, imposition of a sanction or reinsurance.
CLEAN CLAIM	A claim that may be processed without obtaining additional information from the provider of service or from a third party but does not include claims under investigation for fraud or abuse or claims under review for medical necessity, as defined by A.R.S. §36-2904.
CODE OF FEDERAL REGULATIONS (CFR)	The general and permanent rules published in the Federal Register by the departments and agencies of the Federal Government.

COMPREHENSIVE RISK CONTRACT	<p>A risk contract between the State and an MCO that covers comprehensive services, that is, inpatient hospital services and any of the following services, or any three or more of the following services [42 CFR 438.2]:</p> <ol style="list-style-type: none">1. Outpatient hospital services,2. Rural health clinic services,3. Federally Qualified Health Center (FQHC) services,4. Other laboratory and X-ray services,5. Nursing facility (NF) services,6. Early and Periodic Screening, Diagnostic, and Treatment (EPSDT) services,7. Family planning services,8. Physician services, and9. Home health services,
CONTRACT SERVICES	<p>See "COVERED SERVICES."</p>
CONTRACTOR	<p>An organization or entity that has a prepaid capitated contract with AHCCCS pursuant to A.R.S. §36-2904, A.R.S. §36-2940, A.R.S. §36-2944, or Chapter 34 of A.R.S. Title 36, to provide goods and services to members either directly or through subcontracts with providers, in conformance with contractual requirements and State and Federal law, rule, regulations, and policies.</p>
CONVICTED	<p>A judgment of conviction has been entered by a Federal, State or local court, regardless of whether an appeal from that judgment is pending.</p>
COPAYMENT	<p>A monetary amount that a member pays directly to a provider at the time a covered service is rendered (A.A.C. R9 -22-711).</p>
CORRECTIVE ACTION PLAN (CAP)	<p>A written work plan that identifies the root cause(s) of a deficiency, includes goals and objectives, actions/tasks to be taken to facilitate an expedient return to compliance, methodologies to be used to accomplish CAP goals and objectives, and staff responsible to carry out the CAP within established timelines. CAPs are generally used to improve performance of the Contractor and/or its providers, to enhance Quality Management/Process Improvement activities and the outcomes of the activities, or to resolve a deficiency.</p>

COST AVOIDANCE	The process of identifying and utilizing all confirmed sources of first or third-party benefits before payment is made by the Contractor.
COVERED SERVICES	The health and medical services to be delivered by the Contractor as specified in Section D, Program Requirements, or the Scope of Work Section.
CREDENTIALING	The process of obtaining, verifying and evaluating information regarding applicable licensure, accreditation, certification, educational and practice requirements to determine whether a provider has the required credentials to deliver specific covered services to members.
DAY	A calendar day unless otherwise specified.
DAY – BUSINESS/WORKING	Monday, Tuesday, Wednesday, Thursday, or Friday unless a legal holiday falls on Monday, Tuesday, Wednesday, Thursday, or Friday.
DELEGATED AGREEMENT	A type of subcontract agreement with a qualified organization or individual to perform one or more functions required to be performed by the Contractor pursuant to this Contract.
DEPARTMENT OF ECONOMIC SECURITY/DIVISION OF DEVELOPMENTAL DISABILITIES (DES/DDD)	The Division of a State agency, as defined in A.R.S. Title 36, Chapter 5.1, which is responsible for serving eligible Arizona residents with a developmental/intellectual disability. AHCCCS contracts with DES/DDD to serve Medicaid eligible individuals with a developmental/intellectual disability.
DISENROLLMENT	The discontinuance of a member’s eligibility to receive covered services through a Contractor.
DIVISION OF BEHAVIORAL HEALTH SERVICES (DBHS)	The Division of a State agency that formerly had the duties set forth by the legislature to provide BH services within Arizona.
DIVISION OF HEALTH CARE MANAGEMENT (DHCM)	The division responsible for Contractor oversight regarding AHCCCS Contractor operations, quality, maternal and child health, behavioral health, medical management, case management, rate setting, encounters, and financial/operational oversight.

DUAL ELIGIBLE MEMBER	A member who is eligible for both Medicare and Medicaid. There are two types of Dual Eligible Members: a Qualified Medicare Beneficiary (QMB) Dual Eligible Member (a QMB Plus or a QMB Only), and a Non-QMB Dual Eligible Member (a Special Low-Income Beneficiary [SLMB] Plus or an Other Full Benefit Dual Eligible).
DURABLE MEDICAL EQUIPMENT (DME)	Equipment that provides therapeutic benefits; is designed primarily for a medical purpose; is ordered by a physician/provider; is able to withstand repeated use; and is appropriate for use in the home. See also Medical Equipment and Appliances.
EARLY AND PERIODIC SCREENING, DIAGNOSTIC, AND TREATMENT (EPSDT)	A comprehensive child health program of prevention, treatment, correction, and improvement of physical and behavioral health conditions for AHCCCS members under the age of 21. EPSDT services include screening services, vision services, dental services, hearing services and all other medically necessary mandatory and optional services listed in Federal Law 42 U.S.C. 1396d (a) to correct or ameliorate defects and physical and mental illnesses and conditions identified in an EPSDT screening whether or not the services are covered under the AHCCCS State Plan. Limitations and exclusions, other than the requirement for medical necessity and cost effectiveness, do not apply to EPSDT services.
EMERGENCY MEDICAL CONDITION	A medical condition manifesting itself by acute symptoms of sufficient severity (including severe pain) such that a prudent layperson who possesses an average knowledge of health and medicine could reasonably expect the absence of immediate medical attention to result in: a) placing the patient's health (or, with respect to a pregnant woman, the health of the woman or her unborn child) in serious jeopardy, b) serious impairment to bodily functions, or c) serious dysfunction of any bodily organ or part [42 CFR 438.114(a)].
EMERGENCY MEDICAL SERVICE	Covered inpatient and outpatient services provided after the sudden onset of an emergency medical condition as defined above. These services must be furnished by a qualified provider, and must be necessary to evaluate or stabilize the emergency medical condition [42 CFR 438.114(a)].
EMERGENCY SERVICES	Medical or behavioral health services provided for the treatment of an emergency medical condition.

ENCOUNTER	A record of a health care-related service rendered by a provider or providers registered with AHCCCS to a member who is enrolled with a Contractor on the date of service.
ENROLLEE	A Medicaid recipient who is currently enrolled with a Contractor [42 CFR 438.2].
ENROLLMENT	The process by which an eligible individual becomes a member of a Contractor's plan.
EVIDENCE-BASED PRACTICE	An intervention that is recognized as effective in treating a specific health-related condition based on scientific research; the skill and judgment of health care professionals; and the unique needs, concerns and preferences of the individual receiving services.
EXCLUDED	Services not covered under the State Plan or the Section 1115 Demonstration Waiver, including but not limited to, services that are above a prescribed limit, experimental services, or services that are not medically necessary.
EXHIBITS	All items attached as part of the original Solicitation.
FEDERAL FINANCIAL PARTICIPATION (FFP)	FFP refers to the contribution that the Federal government makes to the Title XIX and Title XXI program portions of AHCCCS, as defined in 42 CFR 400.203.
FEE-FOR-SERVICE (FFS)	A method of payment to an AHCCCS registered provider on an amount-per-service basis for services reimbursed directly by AHCCCS for members not enrolled with a managed care Contractor.
FEE-FOR-SERVICE MEMBER	A Title XIX or Title XXI eligible individual who is not enrolled with an AHCCCS Contractor.
FISCAL AGENT	A Contractor that processes or pays vendor claims on behalf of the Medicaid agency [42 CFR 455.101].
FRAUD	An intentional deception or misrepresentation made by a person with the knowledge that the deception could result in some unauthorized benefit to himself or some other person. It includes any act that constitutes fraud under applicable State or Federal law, as defined in 42 CFR 455.2.

GEOGRAPHIC SERVICE AREA (GSA)	An area designated by AHCCCS within which a Contractor of record provides, directly or through subcontract, covered health care service to a member enrolled with that Contractor of record, as defined in 9 A.A.C. 22, Article 1.
GRIEVANCE	A member's expression of dissatisfaction with any matter, other than an adverse benefit determination.
GRIEVANCE AND APPEAL SYSTEM	A system that includes a process for member grievances and appeals including SMI grievances and member appeals, provider claim disputes. The Grievance and Appeal system provides access to the State fair hearing process.
HEALTH CARE DECISION MAKER	An individual who is authorized to make health care treatment decisions for the patient. As applicable to the particular situation, this may include a parent of an unemancipated minor or a person lawfully authorized to make health care treatment decisions pursuant to A.R.S. title 14, chapter 5, article 2 or 3; or A.R.S. §§ 8-514.05, 36-3221, 36-3231 or 36-3281.
HEALTH CARE PROFESSIONAL	A physician, podiatrist, optometrist, chiropractor, psychologist, dentist, physician assistant, physical or occupational therapist, therapist assistant, speech language pathologist, audiologist, registered or practical nurse (including nurse practitioner, clinical nurse specialist, certified registered nurse anesthetist and certified nurse midwife), licensed social worker, registered respiratory therapist, licensed marriage and family therapist and licensed professional counselor.
HEALTH HOME	A provider that either provides or coordinates and monitors the provision of all primary, physical health, behavioral health and services and supports to treat the whole person. A Health Home can be an Outpatient Behavioral Health Clinic, a Federally Qualified Health Center or an Integrated Care Provider. Members may or may not be formally assigned to a Health Home.
HEALTH INSURANCE	Coverage against expenses incurred through illness or injury of the individual whose life or physical well-being is the subject of coverage.
HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT (HIPAA)	The Health Insurance Portability and Accountability Act; also known as the Kennedy-Kassebaum Act, signed August 21, 1996 as amended and as reflected in the implementing regulations at 45 CFR Parts 160, 162, and 164.

HEALTH PLAN	See "CONTRACTOR."
HOME HEALTH CARE	See "HOME HEALTH SERVICES".
HOME HEALTH SERVICES	Nursing services, home health aide services, therapy services, and medical supplies, equipment, and appliances as specified in 42 CFR 440.70 when provided to a member at his place of residence and on his or her physician's orders as part of a written plan of care [42 CFR 440.70].
HOSPICE SERVICES	Palliative and support care for members who are certified by a physician as being terminally ill and having six months or less to live.
HOSPITALIZATION	Admission to, or period of stay in, a health care institution that is licensed as a hospital as defined in R9-22-101.
INCURRED BUT NOT REPORTED (IBNR)	Liability for services rendered for which claims have not been received.
INDIVIDUAL RECOVERY PLAN (FORMERLY KNOWN AS THE INDIVIDUAL SERVICE PLAN)	See "SERVICE PLAN"
INDIAN HEALTH SERVICES (IHS)	The operating division within the U.S. Department of Health and Human Services, responsible for providing medical and public health services to members of Federally recognized Tribes and Alaska Natives as specified in 25 U.S.C. 1661.
INFORMATION SYSTEMS	The component of the Contractor's organization which supports the Information Systems, whether the systems themselves are internal to the organization (full spectrum of systems staffing), or externally contracted (internal oversight and support).
IN-NETWORK PROVIDER	An individual or entity which has signed a provider agreement as specified in A.R.S. §36-2904 and that has a subcontract or is authorized through a subcontract with an AHCCCS Contractor to provide services prescribed in A.R.S. §36-2901 et seq. for members enrolled with the Contractor.

INSTITUTION FOR MENTAL DISEASE (IMD)

A hospital, nursing facility, or other institution of more than 16 beds that is primarily engaged in providing diagnosis, treatment or care of individuals with mental diseases (including substance use disorders), including medical attention, nursing care and related services. Whether an institution is an institution for mental diseases is determined by its overall character as that of a facility established and maintained primarily for the care and treatment of individuals with mental diseases, whether or not it is licensed as such. An institution for Individuals with Intellectual Disabilities is not an institution for mental diseases [42 CFR 435.1010].

INTERGOVERNMENTAL AGREEMENT (IGA)

When authorized by legislative or other governing bodies, two or more public agencies or public procurement units by direct contract or agreement may contract for services or jointly exercise any powers common to the contracting parties and may enter into agreements with one another for joint or cooperative action or may form a separate legal entity, including a nonprofit corporation to contract for or perform some or all of the services specified in the contract or agreement or exercise those powers jointly held by the contracting parties. A.R.S. Title 11, Chapter 7, Article 3 (A.R.S. §11-952.A).

LIABLE PARTY

An individual, entity, or program that is or may be liable to pay all or part of the medical cost of injury, disease, or disability of an applicant or member as specified in A.A.C. R9-22-1001.

LIEN

A legal claim, filed with the County Recorder's office in which a member resides and in the county an injury was sustained for the purpose of ensuring that AHCCCS receives reimbursement for medical services paid. The lien is attached to any settlement the member may receive as a result of an injury.

LIMITED ENGLISH PROFICIENCY (LEP)

Individuals who do not speak English as their primary language and who have a limited ability to read, write, speak, or understand English may have LEP and may be eligible to receive language assistance for a particular type of service, benefit, or encounter [42 CFR 457.1207, 42 CFR 438.10] .

LONG TERM SERVICES AND SUPPORTS (LTSS)

Services and supports provided to members of all ages who have functional limitations and/or chronic illnesses that have the primary purpose of supporting the ability of the member to live or work in the setting of their choice, which may include the individual's home, a provider-owned or controlled residential setting, a nursing facility, or other institutional setting [42 CFR 438.2].

MAJOR UPGRADE	Any systems upgrade or changes to a major business component that may result in a disruption to the following: loading of contracts, providers or members, issuing prior authorizations or the adjudication of claims.
MANAGED CARE	Systems that integrate the financing and delivery of health care services to covered individuals by means of arrangements with selected providers to furnish comprehensive services to members; establish explicit criteria for the selection of health care providers; have financial incentives for members to use providers and procedures associated with the plan; and have formal programs for quality, medical management and the coordination of care.
MANAGED CARE ORGANIZATION	<p>An entity that has, or is seeking to qualify for, a comprehensive risk contract under 42 CFR Part 438 and that is [42 CFR 438.2]:</p> <ol style="list-style-type: none">1. A Federally qualified HMO that meets the advance directives requirements of subpart I of 42 CFR Part 489, or2. Any public or private entity that meets the advance directives requirements and is determined by the Secretary to also meet the following conditions:<ol style="list-style-type: none">a. Makes the services it provides to its Medicaid enrollees as accessible (in terms of timeliness, amount, duration, and scope) as those services are to other Medicaid beneficiaries within the area served by the entityb. Meets the solvency standards of 42 CFR 438.116.
MANAGED CARE PROGRAM	A managed care delivery system operated by a State as authorized under Section 1915(a), 1915(b), 1932(a), or 1115(a) of the Social Security Act [42 CFR 438.2].
MANAGEMENT SERVICES AGREEMENT	A type of subcontract with an entity in which the owner of the Contractor delegates all or substantially all management and administrative services necessary for the operation of the Contractor.
MANAGING EMPLOYEE	A general manager, business manager, administrator, director, or other individual who exercises operational or managerial control over or who directly or indirectly conducts the day-to-day operation of an institution, organization or agency [42 CFR 455.101].

MATERIAL CHANGE TO BUSINESS OPERATIONS

Any change in overall operations that affects, or can reasonably be foreseen to affect, the Contractor's ability to meet the performance standards as required in Contract including, but not limited to, any change that would impact or is likely to impact more than 5% of total membership and/or provider network in a specific GSA. Changes to business operations may include, but are not limited to, policy, process, and protocol, such as prior authorization or retrospective review. Additional changes may also include the addition or change in:

1. PBM,
2. Dental Benefit Manager,
3. Transportation vendor,
4. Claims Processing system,
5. System changes and upgrades,
6. Member ID Card vendor,
7. Call center system,
8. Covered benefits delivered exclusively through the mail, such as mail order pharmaceuticals or delivery of medical equipment,
9. MSA, and
10. Any other Administrative Services Subcontract.

MATERIAL CHANGE TO PROVIDER NETWORK

Any change in composition of or payments to a Contractor's provider network that affects, or can reasonably be foreseen to affect, the Contractor's adequacy of capacity and services necessary to meet the performance and/or provider network standards as specified in Contract. Changes to provider network may include, but are not limited to:

1. A change that would cause or is likely to cause more than 5% of the members in a GSA to change the location where services are received or rendered.
2. Any change impacting 5% or less of the membership but involving a provider or provider group who is the sole provider of a service in a service area, or operates in an area with limited alternate sources of the service.

MATERIAL OMISSION

A fact, data or other information excluded from a report, contract, etc., the absence of which could lead to erroneous conclusions following reasonable review of such report, contract, etc.

MEDICAID

A Federal/State program authorized by Title XIX of the Social Security Act, as amended.

MEDICAID MANAGED CARE REGULATIONS	<p>The Federal law mandating, in part, that States ensure the accessibility and delivery of quality health care by their managed care Contractors. These regulations were promulgated pursuant to the Balanced Budget Act (BBA) of 1997.</p>
MEDICAL EQUIPMENT AND APPLIANCES	<p>Any item, appliance, or piece of equipment (pursuant to 42 CFR 440.70) that is not a prosthetic or orthotic, and</p> <ol style="list-style-type: none">1. Is customarily used to serve a medical purpose, and is generally not useful to an individual in the absence of an illness, disability, or injury,2. Can withstand repeated use, and3. Can be reusable by others or removable. <p>Medical equipment and appliances may also be referred to as Durable Medical Equipment (DME).</p>
MEDICAL MANAGEMENT (MM)	<p>An integrated process or system that is designed to assure appropriate utilization of health care resources, in the amount and duration necessary to achieve desired health outcomes, across the continuum of care (from prevention to hospice).</p>
MEDICAL RECORDS	<p>A chronological written account of a patient's examination and treatment that includes the patient's medical history and complaints, the provider's physical findings, behavioral health findings, the results of diagnostic tests and procedures, medications and therapeutic procedures, referrals and treatment plans.</p>
MEDICAL SERVICES	<p>Medical care and treatment provided by a Primary Care Provider (PCP), attending physician or dentist or by a nurse or other health related professional and technical personnel at the direction/order of a licensed physician or dentist.</p>
MEDICAL SUPPLIES	<p>Health care related items that are consumable or disposable, or cannot withstand repeated use by more than one individual, that are required to address an individual medical disability, illness or injury [42 CFR 440.70].</p>
MEDICALLY NECESSARY	<p>A covered service provided by a physician or other licensed practitioner of the health arts within the scope of practice under State law to prevent disease, disability or other adverse conditions or their progression, or to prolong life (A.A.C. R9-22-101).</p>

MEDICALLY NECESSARY SERVICES	Those covered services provided by qualified service providers within the scope of their practice to prevent disease, disability and other adverse health conditions or their progression or to prolong life.
MEDICARE	A Federal program authorized by Title XVIII of the Social Security Act, as amended.
MEDICATION ASSISTED TREATMENT (MAT)	The use of medications in combination with counseling and behavioral therapies for the treatment of substance use disorders.
MEMBER	An eligible individual who is enrolled in AHCCCS, as defined in A.R.S. §36-2931, §36-2901, §36-2901.01 and A.R.S. §36-2981. Also referred to as Title XIX/XXI Member or Medicaid Member.
MEMBER INFORMATION MATERIALS	Any materials given to the Contractor's membership. This includes, but is not limited to: member handbooks, member newsletters, provider directories, surveys, on hold messages and health related brochures/reminders and videos, form letter templates, and website content. It also includes the use of other mass communication technology such as e-mail and voice recorded information messages delivered to a member's phone.
MINIMUM PERFORMANCE STANDARD (MPS)	The minimal expected level of performance by the Contractor.
NATIONAL PROVIDER IDENTIFIER (NPI)	A unique identification number for covered health care providers, assigned by the CMS contracted national enumerator.
NETWORK	A list of doctors, or other health care providers, and hospitals that a Contractor contracts with directly, or employs through a subcontractor, to provide medical care to its members.
NON-CONTRACTING PROVIDER	An individual or entity that provides services as prescribed in A.R.S. §36-2901 who does not have a subcontract with an AHCCCS Contractor.
OUT OF NETWORK PROVIDER	An individual or entity that has a provider agreement with the AHCCCS Administration pursuant to A.R.S. §36-2904 but is not authorized through a subcontract with an AHCCCS Contractor to provide services specified in A.R.S. §36-2901 et seq. for members enrolled with the Contractor.

PARENT	A biological, adoptive, or custodial mother or father of a child, or an individual who has been appointed as a legal guardian or custodian of a child by a court of competent jurisdiction.
PERFORMANCE IMPROVEMENT PROJECT (PIP)	A planned process of data gathering, evaluation and analysis to determine interventions or activities that are projected to have a positive outcome. A PIP includes measuring the impact of the interventions or activities toward improving the quality of care and service delivery. Formerly referred to as Quality Improvement Projects (QIP).
PERFORMANCE STANDARDS	A set of standardized measures designed to assist AHCCCS in evaluating, comparing and improving the performance of its Contractors.
PHYSICIAN SERVICES	Medical assessment, treatments and surgical services provided by licensed allopathic or osteopathic physicians within the scope of practice.
PLAN	See "SERVICE PLAN".
POSTSTABILIZATION CARE SERVICES	Medically necessary services, related to an emergency medical condition provided after the member's condition is sufficiently stabilized in order to maintain, improve or resolve the member's condition so that the member could alternatively be safely discharged or transferred to another location [42 CFR 438.114(a)].
POTENTIAL ENROLLEE	A Medicaid-eligible recipient who is not yet enrolled with a Contractor [42 CFR 438.10(a)].
PREMIUM	The amount an individual pays for health insurance every month. In addition to the premium, an individual usually has to pay other costs for his/her health care, including a deductible, copayments, and coinsurance.
PREMIUM TAX	The tax imposed pursuant to A.R.S. §36-2905 and A.R.S. §36-2944.01 for all payments made to Contractors for the Contract Year.
PREPAID MEDICAL MANAGEMENT INFORMATION SYSTEM (PMMIS)	An integrated information infrastructure that supports AHCCCS operations, administrative activities and reporting requirements.

PRESCRIPTION DRUGS	Any prescription medication as defined in A.R.S §32-1901 is prescribed by a health care professional to a subscriber to treat the subscriber's condition.
PRIMARY CARE	All health care services and laboratory services customarily furnished by or through a general practitioner, family physician, internal medicine physician, obstetrician/gynecologist, pediatrician, or other licensed practitioner as authorized by the State Medicaid program, to the extent the furnishing of those services is legally authorized in the State in which the practitioner furnishes them [42 CFR 438.2].
PRIMARY CARE PHYSICIAN	A physician defined as an individual licensed as an allopathic or osteopathic physician according to A.R.S. Title 32, Chapter 13 or Chapter 17, and who otherwise meets the definition of Primary Care Provider (PCP).
PRIMARY CARE PROVIDER (PCP)	An individual who meets the requirements of A.R.S. §36-2901, and who is responsible for the management of the member's health care. A PCP may be a physician defined as an individual licensed as an allopathic or osteopathic physician according to A.R.S. Title 32, Chapter 13 or Chapter 17, or a practitioner defined as a physician assistant licensed under A.R.S. Title 32, Chapter 25, or a certified nurse practitioner licensed under A.R.S. Title 32, Chapter 15. The PCP must be an individual, not a group or association of individuals, such as a clinic.
PRIMARY PREVENTION	The focus on methods to reduce, control, eliminate and prevent the incidence or onset of physical or mental health disease through the application of interventions before there is any evidence of disease or injury.
PRIOR AUTHORIZATION	A process by which the Administration or Contractor, whichever is applicable, authorizes, in advance, the delivery of covered services based on factors including but not limited to medical necessity, cost effectiveness, compliance with this Article, and any applicable contract provisions. Prior authorization is not a guarantee of payment (A.A.C. R9-22-101).
PRIOR PERIOD	See "PRIOR PERIOD COVERAGE."

PRIOR PERIOD COVERAGE (PPC)	For Title XIX members, the period of time prior to the member's enrollment with a Contractor, during which a member is eligible for covered services. The timeframe is from the effective date of eligibility to the day a member is enrolled with a Contractor. Refer to A.A.C. R9-22. If a member is made eligible via the Hospital Presumptive Eligibility (HPE) program and is subsequently determined eligible for AHCCCS via the full application process, prior period coverage for the member will be covered by AHCCCS Fee For Service and the member will be enrolled with the Contractor only on a prospective basis.
PRIOR QUARTER COVERAGE	<p>The period of time prior to an individual's month of application for AHCCCS coverage, during which a member (limited to children under 19, individuals who are pregnant, and individuals who are in the 60-day postpartum period beginning the last day of pregnancy) may be eligible for covered services. Prior Quarter Coverage is limited to the three month time period prior to the month of application. An applicant may be eligible during any of the three months prior to application if the applicant:</p> <ol style="list-style-type: none">1. Received one or more covered services specified in 9 A.A.C. 22, Article 2 and Article 12, and 9 A.A.C. 28, Article 2 during the month, and2. Would have qualified for Medicaid at the time services were received if the individual had applied regardless of whether the individual is alive when the application is made. Refer to A.A.C. R9-22-303. <p>AHCCCS Contractors are not responsible for payment for covered services received during the prior quarter.</p>
PROGRAM CONTRACTOR	See "CONTRACTOR"
PROVIDER	Any individual or entity that is engaged in the delivery of services, or ordering or referring for those services, and is legally authorized to do so by the State in which it delivers the services, pursuant to 42 CFR 457.10, 42 CFR 438.2.
PROVIDER GROUP	Two or more health care professionals who practice their profession at a common location (whether or not they share facilities, supporting staff, or equipment).

PRUDENT LAYPERSON (for purposes of determining whether an emergency medical condition exists)	An individual without medical training who relies on the experience, knowledge and judgment of a reasonable individual to make a decision regarding whether or not the absence of immediate medical attention will result in: 1) placing the health of the individual in serious jeopardy, 2) serious impairment to bodily functions, or 3) serious dysfunction of a bodily part or organ.
QUALIFIED MEDICARE BENEFICIARY DUAL ELIGIBLE MEMBER (QMB DUAL)	An individual determined eligible under A.A.C. R9-29 Article 2 for Qualified Medicare Beneficiary (QMB) and eligible for acute care services provided for in 9 A.A.C. Chapter 22 or ALTCS services provided for in 9 A.A.C. Chapter 28. A QMB Dual receives both Medicare and Medicaid services and cost sharing assistance.
QUALITY MANAGEMENT	The evaluation and assessment of member care and services to ensure adherence to standards of care and appropriateness of services; can be assessed at a member, provider, or population level.
REFERRAL	A verbal, written, telephonic, electronic or in-person request for health services.
REGIONAL BEHAVIORAL HEALTH AUTHORITY (RBHA)	A contracted Managed Care Organization (also known as a health plan) responsible for the provision of comprehensive behavioral health services to all eligible individuals assigned by the administration and provision of comprehensive physical health services to eligible persons with a Serious Mental Illness enrolled by the Administration.
REHABILITATION	Physical, occupational, and speech therapies, and items to assist in improving or restoring an individual's functional level (A.A.C. R9-22-101).
REINSURANCE	A risk-sharing program provided by AHCCCS to Contractors for the reimbursement of certain contract service costs incurred for a member beyond a predetermined monetary threshold.
REQUEST FOR PROPOSAL (RFP)	A RFP includes all documents, whether attached or incorporated by references that are used by the Administration for soliciting a Proposal under 9 A.A.C. 22 Article 6 and 9 A.A.C. 28 Article 6.
RISK CONTRACT	<p>A Contract between the State and MCO, under which the contractor:</p> <ol style="list-style-type: none"> 1. Assumes risk for the cost of the services covered under the Contract, and 2. Incurs loss if the cost of furnishing the services exceeds the payments under the Contract [42 CFR 438.2].

ROOM AND BOARD (or ROOM)	The amount paid for food and/or shelter. Medicaid funds can be expended for room and board when an individual lives in an institutional setting (e.g. NF, ICF). Medicaid funds cannot be expended for room and board when a member resides in an Alternative HCBS Setting (e.g. Assisted Living Home, Behavioral Health Residential Facilities) or an apartment like setting that may provide meals.
SCOPE OF SERVICES	See "COVERED SERVICES."
SERVICE LEVEL AGREEMENT	A type of subcontract with a corporate owner or any of its Divisions or Subsidiaries that requires specific levels of service for administrative functions or services for the Contractor specifically related to fulfilling the Contractor's obligations to AHCCCS under the terms of this Contract.
SERVICE PLAN	A complete written description of all covered health services and other informal supports which includes individualized goals, peer-and-recovery support and family support services, care coordination activities and strategies to assist the member in achieving an improved quality of life.
SPECIAL HEALTH CARE NEEDS (SHCN)	Serious and chronic physical, developmental, or behavioral conditions requiring medically necessary health and related services of a type or amount beyond that required by members generally; that lasts or is expected to last one year or longer and may require ongoing care not generally provided by a primary care provider.
SPECIALIST	A Board-eligible or certified physician who declares himself or herself as a specialist and practices a specific medical specialty. For the purposes of this definition, Board-eligible means a physician who meets all the requirements for certification but has not tested for or has not been issued certification.
SPECIALTY PHYSICIAN	A physician who is specially trained in a certain branch of medicine related to specific services or procedures, certain age categories of patients, certain body systems, or certain types of diseases.
STATE	The State of Arizona and Department or Agency of the State that executes the Contract.
STATEWIDE	Of sufficient scope and breadth to address the health care service needs of members throughout the State of Arizona.
STATE FISCAL YEAR	The budget year-State fiscal year: July 1 through June 30.

STATE PLAN	The written agreements between the State and CMS, which describes how the AHCCCS program meets CMS requirements for participation in the Medicaid program and the State Children's Health Insurance Program.
SUBCONTRACT	An agreement entered into by the Contractor with any of the following: a provider of health care services who agrees to furnish covered services to member; or with any other organization or individual who agrees to perform any administrative function or service for the Contractor specifically related to fulfilling the Contractor's obligations to AHCCCS under the terms of this Contract, as defined in 9 A.A.C. 22 Article 1.
SUBCONTRACTOR	<ol style="list-style-type: none">1. A provider of health care who agrees to furnish covered services to members.2. An individual, agency or organization with which the Contractor has contracted or delegated some of its management/administrative functions or responsibilities.3. An individual, agency or organization with which a fiscal agent has entered into a contract, agreement, purchase order or lease (or leases of real property) to obtain space, supplies equipment or services provided under the AHCCCS agreement.
SUBSIDIARY	An entity owned or controlled by the Contractor.
SUBSTANCE USE DISORDER (SUD)	A range of conditions that vary in severity over time, from problematic, short-term use/abuse of substances to severe and chronic disorders requiring long-term and sustained treatment and recovery management.
SUPPLEMENTAL SECURITY INCOME (SSI) AND SSI RELATED GROUPS	Eligible individuals receiving income through Federal cash assistance programs under Title XVI of the Social Security Act who are aged, blind or have a disability and have household income levels at or below 100% of the FPL.
THIRD PARTY	See "LIABLE PARTY."

TITLE XIX	Known as Medicaid, Title XIX of the Social Security Act provides for Federal grants to the states for medical assistance programs. Title XIX enables states to furnish medical assistance to those who have insufficient income and resources to meet the costs of necessary medical services, rehabilitation and other services, to help those families and individuals become or remain independent and able to care for themselves. Title XIX members include but are not limited to those eligible under Section 1931 of the Social Security Act, Supplemental Security Income (SSI), SSI-related groups, Medicare cost sharing groups, Breast and Cervical Cancer Treatment Program and Freedom to Work Program. Which includes those populations specified in 42 U.S.C. 1396 a(a)(10)(A).
TITLE XIX MEMBER	Title XIX members include those eligible under Section 1931 provisions of the Social Security Act (previously AFDC), Supplemental Security Income (SSI) or SSI-related groups, Medicare Cost Sharing groups, Adult Group at or below 106% Federal Poverty Level (Adults \leq 106%), Adult Group above 106% Federal Poverty Level (Adults $>$ 106%), Breast and Cervical Cancer Treatment program, Title IV-E Foster Care and Adoption Subsidy, Young Adult Transitional Insurance, and Freedom to Work.
TREATMENT	A procedure or method to cure, improve, or palliate an individual's medical condition or behavioral health issue. Refer to A.A.C. R9-10-101.
TRIBAL REGIONAL BEHAVIORAL HEALTH AUTHORITY (TRBHA)	A tribal entity that has an intergovernmental agreement with the administration, the primary purpose of which is to coordinate the delivery of comprehensive behavioral health services to all eligible individuals assigned by the administration to the tribal entity. Tribal governments, through an agreement with the State, may operate a Tribal Regional Behavioral Health Authority for the provision of behavioral health services to American Indian members. Refer to A.R.S. §36-3401 and A.R.S. §36-3407.

[END OF PART 1: DEFINITIONS]

PART 2. DEFINITIONS PERTAINING TO ONE OR MORE AHCCCS CONTRACTS

ABUSE (OF A CHILD)	<p>The infliction or allowing of physical injury, impairment of bodily function or disfigurement or the infliction of or allowing another person to cause serious emotional damage as evidenced by severe anxiety, depression, withdrawal or untoward aggressive behavior and which emotional damage is diagnosed by a medical doctor or psychologist and is caused by the acts or omissions of an individual who has the care, custody and control of a child. As specified in A.R.S. §8-201(2), abuse includes:</p> <ol style="list-style-type: none">1. Inflicting or allowing sexual abuse, sexual conduct with a minor, sexual assault, molestation of a child, commercial sexual exploitation of a minor, sexual exploitation of a minor, incest, or child sex trafficking as those acts are specified in the Arizona Revised Statutes, Title 13, Chapter 14.2. Physical injury that results from permitting a child to enter or remain in any structure or vehicle in which volatile, toxic or flammable chemicals are found or equipment is possessed by any person for the purpose of manufacturing a dangerous drug as defined in section 13-3401.3. Unreasonable confinement of a child.
ABUSE (OF A MEMBER)	<p>Abuse of a Vulnerable Adult or the Abuse of a Child who is a member as specified in A.R.S. §46-451(A)(1), A.R.S. §8-201(2), A.R.S. §46-451(A)(9).</p>
ABUSE (OF A VULNERABLE ADULT)	<p>An intentional infliction of physical harm, injury caused by negligent acts or omissions, unreasonable confinement, and sexual abuse or sexual assault as specified in A.R.S. §46-451(A)(1).</p>
ACTIVE TREATMENT	<p>A current need for treatment. The treatment is identified on the member's Service Plan to treat a serious and chronic physical, developmental or behavioral condition requiring medically necessary services of a type or amount beyond that generally required by members that lasts, or is expected to last one year or longer, and requires ongoing care not generally provided by a primary care provider.</p>

- ACUTE CARE ONLY (ACO)** The enrollment status of a member who is otherwise financially and medically eligible for ALTCS but who 1) refuses HCBS offered by the case manager, 2) has made an uncompensated transfer that makes him or her ineligible, 3) resides in a setting in which Long Term Services and Supports (LTSS) cannot be provided, or 4) has equity value in a home that exceeds \$552,000. These ALTCS enrolled members are eligible to receive acute medical services but not eligible to receive LTC institutional, alternative residential or HCBS.
- ADMINISTRATIVE OFFICE OF THE COURTS (AOC)** The Arizona Constitution authorizes an administrative director and staff to assist the Chief Justice with administrative duties. Under the direction of the Chief Justice, the administrative director and the staff of the Administrative Office of the Courts (AOC) provide the necessary support for the supervision and administration of all State courts.
- ADULT GROUP ABOVE 106% FEDERAL POVERTY LEVEL (ADULTS > 106%)** Adults aged 19-64, without Medicare, with income above 106% through 133% of the Federal Poverty Level (FPL).
- ADULT GROUP AT OR BELOW 106% FEDERAL POVERTY LEVEL (ADULTS <= 106%)** Adults aged 19-64, without Medicare, with income at or below 106% of the Federal Poverty Level (FPL).
- AFFILIATED ORGANIZATION** A party that, directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with an entity.

**ALTERNATIVE HOME AND
COMMUNITY BASED SERVICES
(HCBS) SETTING**

A living arrangement where a member may reside and receive HCBS. The setting shall be approved by the director, and either (1) licensed or certified by a regulatory agency of the state, or (2) operated by the IHS, an Indian tribe or tribal organization, or an urban Indian organization, and has met all the applicable standards for state licensure, regardless of whether it has actually obtained the license. The possible types of settings include:

1. For a person with a developmental disability:
 - a. Community residential settings,
 - b. Group homes,
 - c. State-operated group homes,
 - d. Group foster homes,
 - e. Adult behavioral health therapeutic homes,
 - f. Behavioral health residential facilities,
 - g. Behavioral health respite homes, and
 - h. Substance abuse transitional facilities.
2. For a person who is Elderly and Physically Disabled (E/PD):
 - a. Adult foster care homes,
 - b. Assisted living homes or assisted living centers, units only,
 - c. Adult behavioral health therapeutic homes,
 - d. Behavioral health residential facilities,
 - e. Behavioral health respite homes, and
 - f. Substance abuse transitional facilities.

ANNIVERSARY DATE

The anniversary date is 12 months from the date the member is enrolled with the Contractor and annually thereafter. In some cases, the anniversary date will change based on the last date the member changed Contractors or the last date the member was given an opportunity to change.

**ANNUAL ENROLLMENT
CHOICE (AEC)**

The opportunity for an individual to change Contractors every 12 months.

ARIZONA DEPARTMENT OF CHILD SAFETY (DCS)	<p>The department established pursuant to A.R.S. §8-451 to protect children and to perform the following:</p> <ol style="list-style-type: none"> 1. Investigate reports of abuse and neglect. 2. Assess, promote and support the safety of a child in a safe and stable family or other appropriate placement in response to allegations of abuse or neglect. 3. Work cooperatively with law enforcement regarding reports that include criminal conduct allegations. 4. Without compromising child safety, coordinate services to achieve and maintain permanency on behalf of the child, strengthen the family and provide prevention, intervention and treatment services pursuant to this chapter.
ARIZONA DEPARTMENT OF JUVENILE CORRECTION (ADJC)	<p>The State agency responsible for all juveniles adjudicated as delinquent and committed to its jurisdiction by the county juvenile courts.</p>
BED HOLD	<p>A 24 hour per day unit of service that is authorized by an ALTCs member's case manager or the behavioral health case manager or a subcontractor for an acute care member, which may be billed despite the member's absence from the facility for the purposes of short term hospitalization leave and therapeutic leave. Refer to the Arizona Medicaid State Plan 42 CFR 447.40 and 42 CFR 483.12, 9 A.A.C. 28 and AMPM Chapter 100.</p>
BEHAVIORAL HEALTH PARAPROFESSIONAL	<p>As specified in A.A.C. R9-10-101, an individual who is not a behavioral health professional who provides, under supervision by a behavioral health professional, the following services to a patient to address the patient's behavioral health issue:</p> <ol style="list-style-type: none"> 1. Services that, if provided in a setting other than a health care institution, the individual would be required to be licensed as a behavioral professional under A.R.S. Title 32, Chapter 33, or 2. Health – related services
BEHAVIORAL HEALTH RESIDENTIAL FACILITY	<p>As specified in A.A.C. R9-10-101, health care institution that provides treatment to an individual experiencing a behavioral health issue that:</p> <ol style="list-style-type: none"> 1. Limits the individual's ability to be independent, or 2. Causes the individual to require treatment to maintain or enhance independence.

BEHAVIORAL HEALTH TECHNICIAN	As specified in A.A.C. R9-10-101, an individual who is not a behavioral health professional who provides behavioral health services at or for a health care institution according to the health care institution's policies and procedures and, if the individual would be required to be licensed as a behavioral professional under A.R.S. Title 32, Chapter 33, if the behavioral health services were provided in a setting other than a licensed health care institution, are provided under supervision by a behavioral health professional.
BREAST AND CERVICAL CANCER TREATMENT PROGRAM (BCCTP)	Eligible individuals under the Title XIX expansion program for women with income up to 250% of the FPL, who are diagnosed with and need treatment for breast and/or cervical cancer or cervical lesions and are not eligible for other Title XIX programs providing full Title XIX services. Qualifying individuals cannot have other creditable health insurance coverage, including Medicare.
CARE MANAGEMENT PROGRAM (CMP)	Activities to identify the top tier of high need/high cost Title XIX members receiving services within an AHCCCS contracted health plan; including the design of clinical interventions or alternative treatments to reduce risk, cost, and help members achieve better health care outcomes. Care management is an administrative function performed by the health plan. Distinct from case management, Care Managers should not perform the day-to-day duties of service delivery.
CARE MANAGEMENT	A group of activities performed by the Contractor to identify and manage clinical interventions or alternative treatments for identified members to reduce risk, cost, and help achieve better health care outcomes. Distinct from case management, care management does not include the day-to-day duties of service delivery.
CASE MANAGEMENT	A collaborative process which assesses, plans, implements, coordinates, monitors, and evaluates options and services to meet an individual's health needs through communication and available resources to promote quality, cost-effective outcomes. Contractor
CASH MANAGEMENT IMPROVEMENT ACT (CMIA)	Cash Management Improvement Act of 1990 [31 CFR Part 205]. Provides guidelines for the drawdown and transfer of Federal funds.
CHILDREN	Eligible children with incomes ranging from below 133% to 147% of the FPL, depending on the age of the child.
CLIENT ASSESSMENT AND TRACKING SYSTEM (CATS)	A component of AHCCCS' data management information system that supports ALTCS and that is designed to provide key information to, and receive key information from ALTCS Contractors.
COMPREHENSIVE MEDICAL AND DENTAL PROGRAM (CMDP)	A Contractor that is responsible for the provision of covered, medically necessary AHCCCS services for foster children in Arizona. Refer to A.R.S. §8-512.

COMPETITIVE BID PROCESS	A State procurement system used to select Contractors to provide covered services on a geographic basis.
COUNTY OF FISCAL RESPONSIBILITY	The county of fiscal responsibility is the Arizona county that is responsible for paying the State's funding match for the member's ALTCS Service Package. The county of physical presence (the county in which the member physically resides) and the county of fiscal responsibility may be the same county or different counties.
DES/DDD AMERICAN INDIAN HEALTH PLAN (DDD-AIHP)	A Fee for Service (FFS) program administered by DES/DDD for Title XIX/XXI eligible American Indians which reimburses for physical and behavioral health services provided by any AHCCCS registered provider, and for TXIX members, that are not provided by or through the Indian Health Services tribal health programs operated under 638. In this Contract DDD's Program is referred to as DDD-AIHP.
DEVELOPMENTAL DISABILITY (DD)	<p>As defined in A.R.S. §36-551, a strongly demonstrated potential that a child under six years of age has a developmental disability or will become a child with a developmental disability, as determined by a test performed pursuant to A.R.S §36-694 or by other appropriate tests, or a severe, chronic disability that:</p> <ol style="list-style-type: none"> 1. Is attributable to cognitive disability, cerebral palsy, epilepsy or autism. 2. Is manifested before age eighteen. 3. Is likely to continue indefinitely. 4. Results in substantial functional limitations in three or more of the following areas of major life activity: <ol style="list-style-type: none"> a. Self-care, b. Receptive and expressive language, c. Learning, d. Mobility, e. Self-direction, f. Capacity for independent living, and g. Economic self-sufficiency. 5. Reflects the need for a combination and sequence of individually planned or coordinated special, interdisciplinary or generic care, treatment or other services that are of lifelong or extended duration.
EQUITY PARTNERS	The sponsoring organizations or parent companies of the managed care organization that share in the returns generated by the organization, both profits and liabilities.

FAMILY-CENTERED	Care that recognizes and respects the pivotal role of the family in the lives of members. It supports families in their natural care-giving roles, promotes normal patterns of living, and ensures family collaboration and choice in the provision of services to the member. When appropriate, the member directs the involvement of the family to ensure person-centered care.
FAMILY OR FAMILY MEMBER	A biological, adoptive, or custodial mother or father of a child, or an individual who has been appointed as a legal guardian or custodian of a child by a court of competent jurisdiction, or other member representative responsible for making health care decisions on behalf of the member. Family members may encompass family of choice for adult members, which includes informal supports.
FAMILY-RUN ORGANIZATION	<p>Family-Operated Services that are:</p> <ol style="list-style-type: none"> 1. Independent and autonomous - Governed by a board of directors of which 51% or more are family members who: <ol style="list-style-type: none"> a. Have or had primary responsibility for the raising of a child, youth, adolescent or young adult with an emotional, behavioral, mental health or substance use need, or b. Have the lived experience as a primary natural support for an adult with emotional, behavioral, mental health or substance use need, or c. An adult who had lived experience of being a child with emotional, behavioral, mental health or substance use needs. 2. Employs credentialed parent/family support providers whose primary responsibility is to provide parent/family support per AMPM Policy 964.
FEDERAL EMERGENCY SERVICES (FES)	A program specified in A.A.C. R9-22-217, to treat an emergency condition for a member who is determined eligible under A.R.S. §36-2903.03(D).
FEDERALLY QUALIFIED HEALTH CENTER (FQHC)	A public or private non-profit health care organization that has been identified by the HRSA and certified by CMS as meeting criteria under Sections 1861(aa)(4) and 1905(l)(2)(B) of the Social Security Act.
FEDERALLY QUALIFIED HEALTH CENTER LOOK-ALIKE	A public or private non-profit health care organization that has been identified by the HRSA and certified by CMS as meeting the definition of "health center" under Section 330 of the Public Health Service Act, but does not receive grant funding under Section 330.

FIELD CLINIC	A “clinic” consisting of single specialty health care providers who travel to health care delivery settings closer to members and their families than the Multi-Specialty Interdisciplinary Clinics (MSICs) to provide a specific set of services including evaluation, monitoring, and treatment for CRS-related conditions on a periodic basis.
FREEDOM OF CHOICE (FC)	The opportunity given to each member who does not specify a Contractor preference at the time of enrollment to choose between the Contractors available within the Geographic Service Area (GSA) in which the member is enrolled.
GENERAL MENTAL HEALTH/SUBSTANCE USE (GMH/SU)	Behavioral health services provided to adult members age 18 and older who have not been determined to have a Serious Mental Illness.
GENERALIST SUPPORT AND REHABILITATION SERVICES PROVIDERS	Configure their program operations to the needs of the Child and Family Team without arbitrary limits on frequency, duration, type of service, age, gender, population or other factors associated with the delivery of Support and Rehabilitation Services.
GUEST DOSING	A mechanism for patients who are not eligible for take-home medication to travel from their home clinic for business, pleasure, or family emergencies and which also provides an option for patients who need to travel for a period of time that exceeds the amount of eligible take-home doses.
HABILITATION	The process by which an individual is assisted to acquire and maintain those life skills that enable the individual to cope more effectively with personal and environmental demands and to raise the level of the individual’s physical, mental and social efficiency (A.R.S. §36-551 (18)).
HOME	A residential dwelling that is owned, rented, leased, or occupied at no cost to the member, including a house, a mobile home, an apartment or other similar shelter. A home is not a facility, a setting or an institution, or a portion of and any of these, licensed or certified by a regulatory agency of the State as a defined in A.A.C. R9-28-101.
HOME AND COMMUNITY BASED SERVICES (HCBS)	Home and community-based services, as defined in A.R.S. §36-2931 and A.R.S. §36-2939.
INTEGRATED MEDICAL RECORD	A single document in which all of the medical information listed in Chapter 900 of the AMPM is recorded to facilitate the coordination and quality of care delivered by multiple providers serving a single patient in multiple locations and at varying times.

INTERDISCIPLINARY CARE	A meeting of the interdisciplinary team members or coordination of care among interdisciplinary treatment team members to address the totality of the treatment and Service Plans for the member based on the most current information available.
INTERMEDIATE CARE FACILITY FOR PERSONS WITH INTELLECTUAL DISABILITIES (ICF/IID)	A facility that primarily provides health and rehabilitative services to persons with developmental disabilities that are above the service level of room and board or supervisory care services or personal care services as defined in section 36-401 but that are less intensive than skilled nursing services (A.R.S. §36-551 (28)).
JUVENILE PROBATION OFFICE (JPO)	An officer within the Arizona Department of Juvenile Corrections assigned to a juvenile upon release from a secure facility. Having close supervision and observation over juvenile's who are ordered to participate in the intensive probation program including visual contact at least four times per week and weekly contact with the school, employer, community restitution agency or treatment program (A.R.S. §8-353).
KIDSCARE (TITLE XXI)	Federal and State Children's Health Insurance Program (Title XXI – CHIP) administered by AHCCCS. The KidsCare program offers comprehensive medical, preventive, treatment services, and behavioral health care services statewide to eligible children under the age of 19, in households with income between 133% and 200% of the Federal Poverty Level (FPL).
MEDICAL PRACTITIONER	A physician, physician assistant or registered nurse practitioner.
MEDICARE MANAGED CARE PLAN	A managed care entity that has a Medicare contract with CMS to provide services to Medicare beneficiaries, including Medicare Advantage Plan (MAP), Medicare Advantage Prescription Drug Plan (MAPDP), MAPDP Special Needs Plan, or Medicare Prescription Drug Plan.
MULTI-SPECIALTY INTERDISCIPLINARY CLINIC (MSIC)	An established facility where specialists from multiple specialties meet with members and their families for the purpose of providing interdisciplinary services to treat members.
PARENTS/CARETAKER RELATIVES	Eligible individuals and families under Section 1931 of the Social Security Act, with household income levels at or below 100% of the Federal Poverty Level (FPL).

PEER-RUN ORGANIZATION	<p>Owned, administratively controlled and operated by peers, and emphasize self-help as an operational approach.</p> <ol style="list-style-type: none"> 1. Independent: Owned, administratively controlled and operated by peers that share the lived experiences of the members and populations they serve. 2. Autonomous: Decisions about governance related to fiscal and financial, personnel, policy, contracting, training, program, advocacy, cultural competence and services and operational management are made by the peer-run program. 3. Accountable: Responsibility for decisions rests with the peer-run program. 4. Peer Controlled: The governance board composition is at least 51% peers. 5. Peer Workers: Staff, management and board of directors (governance) are individuals who share the lived experiences of the members and populations they serve.
PERFORMANCE BOND	<p>A written promise by a Surety to pay AHCCCS (as the obligee) an amount specified in Contract and ACOM Policy 305, if the Contractor (as the principal), fails to meet the Contractor's obligation under the Contract. A Performance Bond is also called a Surety Bond.</p>
PERSON-CENTERED	<p>An approach to planning designed to assist the member to plan their life and supports. This model enables individuals to increase their personal self-determination and improve their own independence.</p>
PERSON WITH A DEVELOPMENTAL/INTELLECTUAL DISABILITY	<p>An individual who meets the Arizona definition as specified in A.R.S. §36-551 and is determined eligible for services through the DES Division of Developmental Disabilities (DDD). Services for AHCCCS-enrolled acute and long term care members with developmental/intellectual disabilities are managed through the DES Division of Developmental Disabilities.</p>
PRE-ADMISSION SCREENING (PAS)	<p>A process of determining an individual's risk of institutionalization at a NF or ICF level of care as specified in 9 A.A.C. 28 Article 1.</p>
PREGNANT WOMEN	<p>Eligible pregnant women, with income at or below 156% of the FPL.</p>
PRESCRIPTION DRUG COVERAGE	<p>Prescription medications prescribed by an AHCCCS registered qualified practitioner as a pharmacy benefit, based on medical necessity, and in compliance with Federal and state law including 42 U.S.C 1396r-8 and A.A.C. R9-22-209.</p>

RAPID RESPONSE	An in-person assessment of a child’s immediate behavioral and physical health needs by health care provider(s) including referral(s) for further assessments or ongoing care, as needed. The Rapid Response is initiated when a child enters Department of Child Safety (DCS) out of home care and is completed within 72 hours of notification.
RELATED PARTY	A party that has, or may have, the ability to control or significantly influence a Contractor, or a party that is, or may be, controlled or significantly influenced by a Contractor. "Related parties" include, but are not limited to, agents, managing employees, individuals with an ownership or controlling interest in the Contractor and their immediate families, subcontractors, wholly-owned subsidiaries or suppliers, parent companies, sister companies, holding companies, and other entities controlled or managed by any such entities or individuals.
RISK GROUP	Grouping of rate codes that are paid at the same capitation rate.
ROSTER BILLING	Any claim that does not meet the standardized claim requirements of 9 A.A.C. 22, Article 7 is considered roster billing.
RURAL HEALTH CLINIC (RHC)	A clinic located in an area designated by the Bureau of Census as rural, and by the Secretary of the DHHS as medically underserved or having an insufficient number of physicians, which meets the requirements under 42 CFR 491.
SERIOUS MENTAL ILLNESS (SMI)	A designation as defined in A.R.S. §36-550 and determined in an individual 18 years of age or older.
SMI ELIGIBILITY DETERMINATION	A determination as to whether or not an individual meets the diagnostic and functional criteria established for the purpose of determining an individual’s eligibility for SMI services.
SPECIALIST SUPPORT AND REHABILITATION SERVICES PROVIDERS	Provide either a limited scope of Support and Rehabilitation Services (such as primarily specializing in respite services or skills training services) and/or services that may be designed for a specific population, age, gender, frequency, duration or some other factor (such as a service specializing in working with teenagers or those with a history of displaying harmful sexual behaviors).
STATE CHILDREN’S HEALTH INSURANCE PROGRAM (SCHIP)	State Children’s Health Insurance Program under Title XXI of the Social Security Act (Also known as CHIP). The Arizona version of CHIP is referred to as “KidsCare.” See also “KIDSCARE.”

STATE ONLY TRANSPLANT MEMBERS	Individuals who are eligible under one of the Title XIX eligibility categories and found eligible for a transplant, but subsequently lose Title XIX eligibility, under a category other than Adult Group due to excess income become eligible for one of two extended eligibility options as specified in A.R.S. §36-2907.10 and A.R.S. §36-2907.11.
SUBSTANCE ABUSE	<p>As specified in A.A.C. R9-10-101, an individual's misuse of alcohol or other drug or chemical that:</p> <ol style="list-style-type: none">1. Alters the individual's behavior or mental functioning,2. Has the potential to cause the individual to be psychologically or physiologically dependent on alcohol or other drug or chemical, and <p>Impairs, reduces, or destroys the individual's social or economic functioning.</p>
TITLE XXI	Title XXI of the Social Security Act provides funds to states to enable them to initiate and expand the provision of child health assistance to uninsured, low income children in an effective and efficient manner that is coordinated with other sources of child health benefits coverage.
TITLE XXI MEMBER	Member eligible for acute care services under Title XXI of the Social Security Act, referred to in Federal legislation as the "Children's Health Insurance Program" (CHIP). The Arizona version of CHIP is referred to as "KidsCare."
TREATMENT PLAN	A written plan of services and therapeutic interventions based on a complete assessment of a member's developmental and health status, strengths and needs that are designed and periodically updated by the multi-specialty, interdisciplinary team.
VIRTUAL CLINICS	Integrated services provided in community settings through the use of innovative strategies for care coordination such as Telemedicine, integrated medical records and virtual interdisciplinary treatment team meetings.
VULNERABLE ADULT	As defined in A.R.S. §46-451, an individual who is eighteen years of age or older and who is unable to protect himself from abuse, neglect, or exploitation by others because of a physical or mental impairment. Vulnerable adult includes an incapacitated person as defined in A.R.S. §14-5101.

[END OF PART 2: DEFINITIONS]

[END OF SECTION C: DEFINITIONS]

SECTION D: PROGRAM REQUIREMENTS**1. PURPOSE, APPLICABILITY AND INTRODUCTION**

The purpose of this Contract is to delineate Contractor requirements to administer behavioral health services for eligible children, adults and their families. In addition, pursuant to A.R.S. §36-2901 et seq., AHCCCS and the Contractor will oversee an integrated physical and behavioral health care delivery system for eligible adults determined to have a Serious Mental Illness (SMI).

The Contractor shall be responsible for the performance of all Contract requirements. The Contractor may delegate responsibility for services and related activities under this Contract, as specified in Contract, but remains ultimately responsible for compliance with the terms of this Contract [42 CFR 438.230(a)].

In the event that a provision of Federal or State law, regulation, or policy is repealed or modified during the term of this Contract, effective on the date the repeal or modification by its own terms takes effect:

1. The provisions of this Contract shall be deemed to have been amended to incorporate the repeal or modification, and
2. The Contractor shall comply with the requirements of the Contract as amended, unless AHCCCS and the Contractor otherwise stipulate in writing.

Arizona Laws 2015, Chapter 19, Section 9 (SB 1480), enacts that from and after June 30, 2016, the provision of behavioral health services under the Division of Behavioral Health Services (DBHS) in the Department of Health Services is transferred to and shall be administered by the Arizona Health Care Cost Containment System (AHCCCS).

Integrating the delivery of behavioral and physical health care is a significant step forward in improving the overall health of members determined to be SMI. Under this Contract, the Contractor is the single entity that is responsible for administrative and clinical integration of health care service delivery for members with SMI, which includes coordinating Medicare and Medicaid benefits for members with SMI who are dual eligible. From a member perspective, this approach will improve individual health outcomes, enhance care coordination, and increase member satisfaction. From a system perspective, it will increase efficiency, reduce administrative burden and foster transparency and accountability.

The Arizona Association of Health Plans: To assist in reducing the burden placed on providers and to enhance Contractor collaboration, the Contractor is required to be a member of the Arizona Association of Health Plans (AzAHP). AzAHP is an organization dedicated to working with elected officials, AHCCCS, Health Care Plans, health care providers, and consumers to keep quality health care available and affordable for all Arizonans.

System Values and Guiding Principles: The Contractor shall be responsible for the provision of Title XIX/XXI services as set forth in this Contract and for the provision of those services as set forth in Contract YH17-0003. The Contractor shall ensure effective coordination of care for delivery of services to eligible members.

The following values, guiding system principles and goals are the foundation for the development of this Contract. Contractor shall administer and deliver services consistent with these values, principles, and goals:

1. Member and family member involvement at all system levels,
2. Collaboration with the greater community,
3. Effective innovation by promoting evidence-based practices,
4. Expectation for continuous quality improvement,
5. Cultural competency,
6. Improved health outcomes,
7. Reduced health care costs,
8. System transformation,
9. Transparency,
10. Prompt and easy access to care,
11. Adherence with and continuing education and guidance to physical and behavioral health providers on the Adult Service Delivery System-Nine Guiding Principles for Recovery-Oriented Adult Behavioral Health Services and Systems, and
12. Adherence with and continuing education and guidance to providers on the Arizona Vision-Twelve Principles for Children Service Delivery as specified in AMPM Policy 100.

Integrated Health Care Service Delivery: Coordinating and integrating physical and behavioral health care is expected to produce improved access to primary care services, increased prevention, early identification, and intervention to reduce the incidence of serious physical illnesses, including chronic disease. Increasing and promoting the availability of integrated, holistic care for members with chronic behavioral and physical health conditions will help members achieve better overall health and an improved quality of life. The principles below are AHCCCS' vision for integrated care service delivery. However, many of them apply to all populations for all services in all settings. For example, concepts such as recovery, member input, family involvement, person-centered care, communication, and commitment are examples that describe well-established expectations AHCCCS has in all of its behavioral health care service delivery Contracts.

While these principles have served as the foundation for successful behavioral health service delivery, providing whole-health integrated care services to a segment of the population who die on average, 25 years earlier than the general population—primarily because of chronic, preventable, physical conditions—is a challenge that calls for a new approach that will improve health care outcomes in a cost-effective manner. To meet this challenge, the Contractor must be creative and innovative in its oversight and management of the integrated service delivery system. AHCCCS expects the Contractor to embrace the principles below and demonstrate an unwavering commitment to treat each and every member with dignity and respect as if that member were a relative or loved one seeking care.

The Contractor shall comply with all terms, conditions, and requirements in this Contract while embedding the following principles in the design and implementation of an integrated health care service delivery system:

1. Behavioral, physical, peer and family support providers must share the same mission to place the member's whole-health needs above all else as the focal of point of care.

2. All aspects of the member experience from engagement, treatment planning, service delivery and customer service must be designed to promote recovery and wellness as defined by the member.
3. Member input must be incorporated into developing individualized treatment goals, wellness plans, and services.
4. Peer and family voice must be embedded at all levels of the system.
5. Recovery is personal, self-directed, and must be individualized to the member.
6. Family member involvement, community integration and a safe affordable place to live are integral components of a member's recovery and must be as important as any other single medicine, procedure, therapy, or treatment.
7. Providers of integrated care must operate as a team that functions as the single-point of whole-health treatment and care for all of a member's health care needs. Co-location or making referrals without coordinating care through a team approach does not equate to integrated care.
8. The team must involve the member as an equal partner by using appropriate levels of care management, comprehensive transitional care, care coordination, health promotion and use of technology as well as provide linkages to community services and supports and individual and family support to help a member achieve his or her whole health goals.
9. The Contractor's overarching system goals for individual SMI members and the SMI population are to improve whole health outcomes and reduce or eliminate health care disparities between SMI members and the general population in a cost-effective manner.
10. System goals shall be achieved using the following strategies:
 - a. Earlier identification and intervention that reduces the incidence and severity of serious physical, and mental illness,
 - b. Use of health education and health promotion services,
 - c. Increased use of primary care prevention strategies,
 - d. Use of validated screening tools,
 - e. Focused, targeted, consultations for behavior health conditions,
 - f. Cross-specialty collaboration,
 - g. Enhanced discharge planning and follow-up care between provider visits,
 - h. Ongoing outcome measurement and treatment plan modification,
 - i. Care coordination through effective provider communication and management of treatment, and
 - j. Member, family, and community education.
11. Achievement of system goals shall result in the following outcomes:
 - a. Reduced rates of unnecessary or inappropriate Emergency Room use,
 - b. Reduced need for repeated hospitalization and re-hospitalization,
 - c. Reduction or elimination of duplicative health care services and associated costs, and
 - d. Improved member's experience of care and individual health outcomes.

The Contractor shall operate as a single entity responsible for ensuring the delivery of medically necessary covered services for members and shall provide all major administrative functions of a managed care health plan including but not limited to:

1. Network Management/Provider Relations,
2. Member Services,
3. Quality Management,
4. Medical Management,

5. Finance,
6. Claims/Encounters,
7. Information Services, and
8. Grievance and Appeal System.

The Contractor shall not delegate or subcontract key functions of health plan operations that are critical to the integration of behavioral and physical health care for members as set forth in Section D, Paragraph 36, Management Services Agreements, unless one entity under subcontract provides all of the delegated functions for both the Medicaid, which includes physical and behavioral health, and Medicare lines of business. The Contractor shall have organizational, management, staffing and administrative systems capable of meeting all Contract requirements with clearly defined lines of responsibility, authority, communication and coordination within, between and among Contractor's departments, units or functional areas of operation.

2. ELIGIBILITY CATEGORIES

The Contractor is not responsible for determining eligibility.

Title XIX/XXI Eligible Populations: The Contractor is responsible for delivering medically necessary covered services to AHCCCS members as follows:

1. Behavioral and physical health services to Title XIX and XXI eligible members determined to have a Serious Mental Illness (SMI), including SMI members with a CRS designation, SMI KidsCare members, and including coordination of Medicare benefits for SMI members who are eligible for both Medicare and Medicaid (dual eligible members) [*with the exception of those populations noted below*],
2. Behavioral health services to Medicaid eligible foster children enrolled with the Department of Child Safety (DCS), Comprehensive Medical and Dental Program (CMDP),
3. Behavioral health services to American Indian members determined to be SMI who are enrolled in the American Indian Health Program (AIHP) and who are electing to receive behavioral health services from the Contractor, and
4. Crisis Services as specified in Section D, Paragraph 9, Scope of Services.

The Contractor is not responsible for the provision of physical health care services for Title XIX/XXI eligible SMI members who opt-out for cause from the RBHA pursuant to ACOM Policy 442; however, the Contractor continues to remain responsible for provision of behavioral health services for these members.

The Contractor is not responsible for the provision of physical health or behavioral health services for ALTCS E/PD and DES/DDD members.

Children's Rehabilitative Services: The Contractor shall refer individuals to AHCCCS/DMPS who are potentially in need of services related to CRS qualifying conditions, as specified in A.A.C. R9-22 Article 13, and A.R.S. Title 36. The Contractor shall notify the member, or his/her parent/guardian/designated representative, when a referral to a specialist for an evaluation of a CRS condition will be made. Refer to ACOM Policy 426 for the processes used to process referrals for a CRS designation. The Contractor shall provide covered services necessary to treat

the CRS qualifying condition as well as other services specified within this Contract. The Contractor shall establish a process for the identification of members under the age of 21 with a CRS designation who have completed treatment for the CRS condition, and do not have any other CRS eligible conditions. The Contractor is responsible for notifying the AHCCCS/DMPS of the date when a member with a CRS designation is no longer in need of treatment for the CRS qualifying condition(s) as specified in Section F, Attachment F3, Contractor Chart of Deliverables and ACOM Policy 426. The notification requirements specified above are applicable only to members under 21 years of age. In addition, the Contractor shall consider members with a CRS qualifying condition as members with special health care needs. Refer to the Section D, Paragraph 10, Special Health Care Needs. The Contractor shall accept historical CRS identification numbers (IDs) as alternative member IDs for claims processing, as applicable.

KidsCare: Federal and State Children’s Health Insurance Program (Title XXI – CHIP) administered by AHCCCS. The KidsCare program offers comprehensive medical, preventive, treatment services, and behavioral health care services statewide to eligible children under the age of 19, in households with income between 133% and 200% of the Federal Poverty Level (FPL). Refer to AMPM Policy 440.

Special Medicaid Eligibility-Members Awaiting Transplants: The Contractor shall be responsible for the following:

1. SMI members eligible to receive physical health care services under this Contract,
2. For whom medical necessity for a transplant has been established, and
3. Members who subsequently lose Title XIX eligibility.

These members may become eligible for and select one of two extended eligibility options as specified in A.R.S. §36-2907.10 and §36-2907.11. The extended eligibility is authorized only for those individuals who have met all of the following conditions:

1. The individual has been determined Title XIX ineligible due to excess income,
2. The individual has been placed on a donor waiting list before eligibility expired, and
3. The individual has entered into a contractual arrangement with the transplant facility to pay the amount of income that is in excess of the eligibility income standards (referred to as transplant share of cost).

The following options are available for extended eligibility:

Option 1: Extended eligibility is for one 12 month period immediately following the loss of AHCCCS eligibility. The member is eligible for all AHCCCS covered services as long as they continue to be medically eligible for a transplant. If determined medically ineligible for a transplant at any time during the period, eligibility will terminate at the end of the calendar month in which the determination is made.

Option 2: The member loses AHCCCS eligibility but maintains transplant candidacy status as long as medical eligibility for a transplant is maintained. At the time that the transplant is scheduled to be performed the transplant candidate will reapply and will be re-enrolled with his/her previous Contractor to receive all covered transplant services. Option 2-eligible individuals are not eligible for any non-transplant related health care services from AHCCCS.

The Contractor shall submit all reports/deliverables as specified in Section F, Attachment F3, Contractor Chart of Deliverables.

Eligibility and Member Verification: The Contractor shall verify the Medicaid eligibility status for persons referred for covered health services and coordinate with other involved AHCCCS Contractors, and service providers, subcontractors and members to share specific information regarding Medicaid eligibility. The Contractor is not responsible for determining eligibility.

The Contractor shall notify AHCCCS of a Medicaid-eligible member's death, incarceration, or relocation out-of-state that may affect a member's eligibility status.

Assisting Individuals with Eligibility Verification and Screening Application for Public Benefits: A person who receives behavioral health services pursuant to A.R.S. Title 36, Chapter 34 and who has not been determined eligible for Title XVIII (Medicare) and for the Medicare Part D prescription drug benefit, Title XIX or Title XXI services shall comply with the eligibility determination process annually (A.R.S. §36-3408). The Contractor shall assist providers with screening persons requesting covered services for Medicaid and Medicare eligibility and other public health benefits in conformance with AMPM Policy 650.

The Contractor shall ensure that providers have access to and are familiar with the eligibility key codes and/or AHCCCS rate code and assist with interpreting provider responsibility for the delivery of Title XIX/XXI covered services as specified in AMPM Policy 650.

The Contractor shall develop and make available to providers policies and procedures that include specific contact information for requests from providers on who a member can contact in the behavioral health system for an appointment if an individual who refuses to participate in the screening/application process later chooses to participate.

The Contractor shall develop and make available to providers policies and procedures that include specific information on how to set up a clinical consultation with a Behavioral Health Medical Professional (BHMP) should an individual determined to have a SMI be unwilling to complete the AHCCCS screening/application process or to enroll in a Medicare Part D plan as specified in AMPM Policy 650.

The Contractor shall require providers to submit notification to the Contractor when an individual determined to have an SMI refuses to participate in the screening/eligibility process. The Contractor is responsible for providing written notification of the intended termination of behavioral health services to the member.

Medicaid Eligibility Determination: The Contractor shall accept a Medicaid eligibility determination for AHCCCS coverage groups as determined by one of the following agencies:

1. Social Security Administration (SSA): SSA determines eligibility for the Supplemental Security Income (SSI) cash program. SSI cash recipients are automatically eligible for AHCCCS coverage.
2. Arizona Department of Economic Security (ADES): ADES determines eligibility for caretaker relatives, children, pregnant women, Young Adult Transitional Insurance Program, and adults.
3. Department of Child Safety (DCS): DCS determines eligibility for the Adoption Subsidy Program and Title IV-E Foster Care children.

4. AHCCCS: AHCCCS determines eligibility for the SSI/Medical Assistance Only groups, (aged, disabled, and blind), the Arizona Long Term Care System (ALTCS), the Medicare Savings program, BCCTP, the Freedom to Work program, the Title XXI KidsCare program, and the State-Only Transplant program.

Serious Mental Illness Eligibility: The Contractor shall ensure individuals who may meet the Serious Mental Illness (SMI) eligibility criteria are identified and assessed by qualified clinicians as specified in AMPM Policy 320-P. Refer to Section D, Paragraph 11, Behavioral Health Service Delivery.

3. ENROLLMENT AND DISENROLLMENT

Enrollment and Disenrollment of Populations: AHCCCS members are enrolled with the Contractor in accordance with the rules set forth in 9 A.A.C. 22 Article 17, and 9 A.A.C. 31 Articles 3 and 17. AHCCCS has the exclusive authority to enroll and disenroll members. AHCCCS operates as a mandatory managed care program and choice of enrollment or auto-assignment (passive enrollment) is used pursuant to the terms of the Section 1115 Demonstration Waiver Special Terms and Conditions [42 CFR 438.54(d)].

The Contractor shall not disenroll any member for any reason unless directed to do so by AHCCCS [42 CFR 457.1201(m), 42 CFR 457.1212, 42 CFR 457.1230(c), 42 CFR 438.56(b)(1), 42 CFR 438.56(b)(3)].

The Contractor may not request disenrollment because of an adverse change in the member's health status, or because of the member's utilization of medical services, diminished mental capacity, or uncooperative or disruptive behavior resulting from his or her special needs [Section 1903(m)(2)(A)(v) of the Social Security Act, 42 CFR 457.1201(m), 42 CFR 457.1212, 42 CFR 438.56(b)(2)].

The Contractor shall accept AHCCCS' decision to disenroll a Medicaid eligible member from the Contractor when:

1. The member becomes ineligible for Medicaid or CHIP,
2. The member moves out of the Contractor's geographical service area, or
3. There is a change in AHCCCS' enrollment policy.

The Contractor shall honor the effective date of enrollment for a new Title XIX member as the day AHCCCS takes the enrollment action. The Contractor must be responsible for payment of medically necessary covered services retroactive to the member's beginning date of eligibility, as reflected in PMMIS including services provided during prior period coverage; this can include services prior to the Contract start date and in subsequent years of the Contract.

The effective date of enrollment for a Title XXI member will be the first day of the month following notification to the Contractor. In the event that eligibility is determined on or after the 25th day of the month, eligibility will begin on the first day of the second month following the determination [42 CFR 457.1201(m), 42 CFR 457.1212].

Newborns: The Contractor is responsible for notifying AHCCCS of a child's birth to an enrolled member. Notification must be received no later than one day from the date of birth. AHCCCS is available to receive notification 24 hours a day, seven days a week via the AHCCCS website. Failure of the Contractor to notify AHCCCS within the one day timeframe may result in sanctions. The Contractor shall ensure that newborns born to a member determined to be SMI and enrolled with the Contractor are not enrolled with the Contractor for the delivery of health care services.

Babies born to mothers with an SMI determination who are enrolled with a RBHA are auto-assigned to an AHCCCS Complete Care Contractor when no family continuity exists. Mothers of these newborns are sent a Choice Notice advising them of their right to choose a different AHCCCS Complete Care Contractor for their child, which allows them 90 days to make a choice.

When a member requests disenrollment for cause, the member must use the Contractor's Grievance and Appeal System process for the request and the Contractor shall issue a decision no later than 30 days from the date of the request. If as a result of the grievance process, the Contractor approves the disenrollment, AHCCCS is not required to make a determination [42 CFR 438.56(d)(5)(iii)]. If the Contractor approves a request for disenrollment, the effective date of an approved disenrollment must be no later than the first day of the second month following the month in which the member or Contractor files the request [42 CFR 438.56(e)(1)]. If, as a result of the grievance process, the Contractor denies the request for disenrollment, the Contractor shall notify members of their right to request a State Fair Hearing no later than 30 days from the date of the adverse determination.

Arizona Long Term Care Services Eligibility Determinations During Hospitalization: If determined a member may qualify for Arizona Long Term Care Services (ALTCS) during an individual's acute hospitalization, AHCCCS will process an application for ALTCS eligibility. Enrollment of an applicant who is determined eligible will be effective during the hospital stay.

American Indians: The American Indian Health Program (AIHP) is responsible for integrated care for American Indian adult and child members who select AIHP and who have not determined to have Serious Mental Illness. Integrated care services include both physical and behavioral health services, including services related to a CRS condition. American Indian members who have not been determined to have an SMI will have the choice of integrated care through either AIHP or through the AHCCCS Complete Care Contractor. When served by AIHP, the member also has the choice of a TRBHA (when available) for provision of behavioral health services.

American Indian members who are determined to have an SMI will be assigned to the RBHA for all services but will also have a choice of keeping the RBHA or selecting AIHP for physical health services and the RBHA or TRBHA (when available) for provision of behavioral health services. American Indian members determined to have an SMI will also be permitted to opt out of the RBHA as specified in ACOM Policy 442 to be served by the AHCCCS Complete Care Contractor for physical health services and the RBHA or TRBHA for behavioral health services. If a choice is not made prior to AHCCCS being notified of their eligibility, American Indian Title XIX members living on-reservation will be assigned to the AHCCCS American Indian Health Program (AIHP) as FFS members. American Indian Title XIX members living off-reservation who do not make a Contractor choice will be assigned to an available Contractor using the AHCCCS protocol for family continuity and the auto-assignment algorithm. The designation of a zip code as a 'reservation zip code', not the physical location of the residence, is the factor that determines

whether a member is considered on or off-reservation for these purposes. Further, if the member resides in a zip code that contains land on both sides of a reservation boundary and the zip code is assigned as off-reservation; the physical location of the residence does not change the off-reservation designation for the member. American Indian members can change enrollment between American Indian Health Program (AIHP) and a Contractor at any time. However, a member can change from one Contractor to another only once a year. American Indian members, title XIX and XXI, on- or off-reservation, eligible to receive services, may choose to receive services at any time from an American Indian Health Facility, Indian Health Service (IHS) Facility, a Tribally-Operated 638 Health Program, or an Urban Indian Health Program (I/T/U) [ARRA Section 5006(d), and SMDL 10-001]. The Contractor shall not impose enrollment fees, premiums, or similar charges on American Indians served by an American Indian Health Facility, Indian Health Service (IHS) Facility, a Tribally-Operated 638 Health Program, or an Urban Indian Health Program (I/T/U) (ARRA Section 5006(d), SMDL 10-001).

Opt-Out for Cause: Individuals who have been determined to be Seriously Mentally Ill (SMI) (see A.R.S. §36-550(4)) may opt-out of enrollment with the RBHA for physical health services (enrollment in the RBHA will continue for behavioral health services) and be transferred to an AHCCCS Complete Care Contractor if one or more the applicable opt out criteria are satisfied:

1. RBHA network limitations and restrictions: A member must be given the opportunity to select from at least two in-network PCPs, and have access to at least one specialty provider for each specialty area, to meet his/her medical need.
2. The transfer is necessary to fulfill a current course of treatment or immediate need for recommended treatment prescribed by a physician or provider.
3. The member establishes that due to the enrollment with the RBHA, there is demonstrable evidence to establish actual or potential harm for discriminatory or disparate treatment in:
 - a. The access to, continuity, or availability of covered physical health care services,
 - b. Exercising member choice,
 - c. Privacy rights,
 - d. Quality of services provided, or
 - e. Member rights under Arizona Administrative Code, Title 9, Chapter 21, Article 2.

In regards to establishing actual or potential discriminatory or disparate treatment, a member must demonstrate either that such treatment has already occurred or establish the plausible potential of such treatment. It is insufficient for a member to state that this has or may occur solely on the basis that they are enrolled in the RBHA.

The RBHA shall take the following actions relative to a member's request to opt-out:

1. If not submitted by the member in writing, reduce verbal request to opt out to writing. This should include the member's complete basis for his/her request to opt out of enrollment in the integrated RBHA. This information may be submitted to the RBHA by the member or a qualified representative of the member.
2. Complete an SMI Member Request to Transfer Form, as specified in ACOM Policy 442. Confirm and document that the member is enrolled in an SMI RBHA program.
3. Investigate the basis provided by the Member and make reasonable efforts to resolve the Member's concern(s).
4. Include any additional evidence which in any way relates to the Member's request to opt out.

5. Make a recommendation to approve, or issue a decision to deny the request.
6. When a request to opt out is granted and a member enrolled in a RBHA is permitted to transfer to an AHCCCS Complete Care Contractor, the RBHA must ensure appropriate transition and continuity of care, per ACOM Policy 402.
7. When the RBHA issues a decision to deny a member's request to opt out, the RBHA shall submit the completed decision packet to the AHCCCS SMI Web Portal and issue a written notice to the member within 10 calendar days from the date of receipt of the member's request. The decision shall include the reasons for the denial and appeal/hearing rights, as specified in ACOM Policy 442.
8. When a member appeals a RBHA's decision to deny a request to opt out, the RBHA shall appear at the administrative hearing and defend its denial of the request. This includes legal representation at the administrative hearing and any subsequent proceedings.
9. For a RBHA recommendation to approve an opt out request, the completed packet must be submitted to AHCCCS for a decision within seven calendar days from the date of the member's request.

Where a RBHA makes a determination and recommends that a member's opt out request be granted, the RBHA and AHCCCS shall take the following actions:

1. The RBHA is to provide AHCCCS with its completed recommendation packet and any other available information AHCCCS may request. AHCCCS will review the completed recommendation packet and make a final decision to approve or deny the request.
2. AHCCCS will provide the member with written notice of the decision within 10 calendar days of the request. Denials will include the reasons for the denial and appeal/hearing rights.
3. If a hearing is requested and received by the RBHA, the RBHA shall promptly forward the request to the AHCCCS Administration which will then schedule the matter for hearing with the Office of Administrative Hearings (OAH). The Notice of Hearing will be sent by AHCCCS to the requesting party and the RBHA.
4. Following the Administrative Hearing, the AHCCCS Administration will issue a Director's Decision within 30 calendar days of receipt of the Administrative Law Judge (ALJ) Decision.
5. The RBHA will continue efforts to resolve the concerns identified in the appeal and ensure needed coordination activities take place with the relevant parties throughout the appeal process.
6. AHCCCS will notify the RBHA of the date and time of the hearing and other relevant administrative proceedings.
7. The RBHA will provide AHCCCS with a summary, prior to the hearing and within a timeframe requested by AHCCCS, of all efforts taken to resolve the member's concerns.
8. The RBHA will designate a representative to participate in the hearing and provide AHCCCS with information on how to contact the representative during the time of the hearing.
9. AHCCCS will notify the RBHA of the outcome of the appeal.

Prior Quarter Coverage: Pursuant to the January 2019 CMS Approval of the Section 1115 Demonstration Waiver, AHCCCS is waived from approving Prior Quarter Coverage eligibility (also referred to as Retroactive Coverage in the Section 1115 Demonstration Waiver Approval) for individuals who are NOT in the following three categories: children under 19, individuals who are pregnant, and individuals who are in the 60-day postpartum period beginning the last day of pregnancy. Effective July, 1, 2019, only the 3 populations above are exempted from the waiver of prior quarter coverage eligibility, and these individuals may be determined to qualify for AHCCCS coverage during any of the 3 months prior to the month of

application when they meet the eligibility requirements for that month. Prior Quarter Coverage eligibility expands the time period during which AHCCCS pays for covered services for eligible individuals to any of the three months prior to the month the individual applied for AHCCCS, if the individual met AHCCCS eligibility requirements during that particular month. AHCCCS Contractors are not responsible for payment for covered services received during the prior quarter. Upon verification or notification of Prior Quarter Coverage eligibility, providers will be required to bill AHCCCS for services provided during a prior quarter eligibility period.

Prior Period Coverage: AHCCCS provides Prior Period Coverage (PPC) for title XIX members for the period of time prior to the Title XIX member's enrollment during which the member is eligible for covered services. PPC refers to the time frame from the effective date of eligibility (usually the first day of the month of application) until the date the member is enrolled with the Contractor. The Contractor receives notification from AHCCCS of the member's enrollment. The Contractor is responsible for payment of all claims for medically necessary behavioral health services and integrated health covered services, provided by the RBHA, provided to members during Prior Period Coverage, including services provided prior to the Contract year in a Geographic Service Area where the Contractor was not contracted at the time of service delivery. AHCCCS Fee-For-Service will be responsible for the payment of claims for PPC for members who are found eligible for AHCCCS initially through hospital presumptive eligibility and later are enrolled with the Contractor. Therefore, for those members, the Contractor is not responsible for PPC.

PPC for members who are initially eligible as Non-Title XIX/XXI and assigned to a RBHA and who transition to Title XIX eligibility:

1. The member retains behavioral health assignment with the RBHA Contractor through the Title XIX PPC period.
2. The member is enrolled with the AHCCCS Complete Care Contractor for physical health services through the Title XIX PPC period.
3. The RBHA Contractor is responsible for payment of all behavioral health claims for medically necessary Non-Title XIX/XXI and Title XIX behavioral health covered services provided to members who are initially eligible as Non-Title XIX/XXI and assigned to a RBHA during the prior period coverage timeframe.
4. The AHCCCS Complete Care Contractor is responsible for payment of all physical health claims for medically necessary Title XIX physical health covered services during the PPC period and prospectively.
5. The member is enrolled with the AHCCCS Complete Care Contractor for both physical and behavioral health Title XIX services the day AHCCCS is notified of the member's Title XIX eligibility.

Hospital Presumptive Eligibility: As required under the Affordable Care Act, AHCCCS has established standards for Hospital Presumptive Eligibility (HPE) in accordance with Federal requirements. Qualified hospitals that elect to participate in the HPE Program will implement a process consistent with AHCCCS standards which determines applicants presumptively eligible for AHCCCS Medicaid covered services. Persons determined presumptively eligible who have not submitted a full application to AHCCCS will qualify for Medicaid services from the date the hospital determines the individual to be presumptively eligible through the last day of the month following the month in which the determination of presumptive eligibility was made by

the qualified hospital. For persons who apply for presumptive eligibility and who also submit a full application to AHCCCS, coverage of Medicaid services will begin on the date that the hospital determines the individual to be presumptively eligible and will continue through the date that AHCCCS issues a determination on that application. All persons determined presumptively eligible for AHCCCS will be enrolled with AHCCCS Fee-For-Service for the duration of the HPE eligibility period. If a member made eligible via HPE is subsequently determined eligible for AHCCCS via the full application process, Prior Period Coverage for the member will also be covered by AHCCCS Fee-For-Service, and the member will be enrolled with the Contractor only on a prospective basis.

4. RESERVED

5. PEER AND FAMILY INVOLVEMENT AND PARTICIPATION

The Contractor is required to have peer and family member participation on all Contractor Committees, except for those that pertain to issues of member and/or provider confidentiality, to provide input and feedback for decision making. Each Committee shall include peers and family members enrolled with the Contractor, who shall not be employed by the Contractor. The Contractor shall submit a Roster of Peer and Family Committee Members as specified in Section F, Attachment F3, Contractor Chart of Deliverables.

The Contractor is expected to contract with Peer-Run Organizations (PROs) and Family-Run Organizations (FROs), as specified in Contract, in each of the Contractor's awarded GSA(s). Members shall be offered the option to receive medically necessary behavioral health and/or other services from a PRO and/or FRO.

If the Contractor desires to contract with an organization not currently recognized by AHCCCS OIFA as a PRO or FRO, whom the Contractor believes meets the criteria of a PRO or FRO as specified in Contract, the Contractor shall contact AHCCCS OIFA for the New Peer-Run and/or Family-Run Organization template. The request shall be submitted as specified in Section F, Attachment F3, Contractor Chart of Deliverables. AHCCCS will review the proposed PRO or FRO and approve it if the provider meets the criteria for a PRO or FRO as defined in Section D, Definitions.

Member Advocacy Council: The Contractor shall facilitate a Member Advocacy Council (MAC) consisting of peers and family members with the Contractor who are receiving physical and behavioral health services, and an individual from the Contractor's Executive Management team. Every effort shall be made to include council members reflecting the populations and communities served by the Contractor. The MAC may also include professionals and advocates. The purpose of the MAC is to: Gather and discuss issues and barriers, identify challenges and problem solve, and share information and strategize ways to improve or strengthen the service delivery. Discussion of issues and opportunities resulting from the MAC meetings are to be included on the agenda and addressed by the Contractor's Executive Management Committee. Meeting minutes are to reflect the results of the discussion and any direction of interventions or activities assigned by the Executive Management Committee to Contractor operational units. MAC meeting minutes shall be made available to AHCCCS upon request.

Governance Committee: The Contractor shall have a formal Governance Committee. The Governance Committee membership shall include peers and family of members enrolled with the Contractor who are receiving physical and behavioral health services, and who are not employed by the Contractor. The Governance Committee shall meet and interact with Contractor leadership to direct strategic planning process improvement and decision making for the Contractor's physical and behavioral health delivery system. Every effort shall be made to include representation of council members that reflect the populations and communities served by the Contractor. The following conditions apply to this section:

1. If a Contractor holds more than one Line of Business, the Contractor may consolidate required committees, and
2. If a Contractor elects to consolidate the required committees, the Contractor shall ensure the membership of consolidated committees are representative of all the Contractor's Lines of Business.

The Contractor shall ensure that provider sites where provider case management services are delivered shall have regular and ongoing member and/or family participation in decision making, quality improvement, and enhancement of customer service.

Peer and Family Support Specialists: The Contractor shall comply with all terms, conditions, and requirements in this Contract while embedding the following principles in the design and implementation of an integrated health care service delivery system:

1. Behavioral, physical, peer, and family support providers must share the same mission to place the member's whole-health needs above all else as the focal of point of care,
2. Utilize peer and family delivered support services/specialists and embed peer and family voice at all levels of the system. The Contractor shall submit information noting Peer/Recovery Support Specialist (PRSS) and Credentialed Parent/Family Support Specialist involvement in Service Delivery as specified in Section F, Attachment F3: Contractor Chart of Deliverables, and
3. Maximize the use of existing behavioral and physical health infrastructure including peer and Family-Run Organizations.

The Contractor shall provide access to peer and family support services for members to assist with understanding and coping with the stressors of a member's disability and how to effectively and efficiently utilize the service delivery system for covered benefits. The Contractor shall provide access to peer support services for members with Substance Use Disorders including but not limited to: Alcohol Misuse, Benzodiazepine Misuse and Dependence, and Opioid Use Disorders (OUDs). Where appropriate, Peer Support Specialists may navigate members to Medication Assisted Treatment (MAT) providers, increasing the member's participation and retention in MAT treatment and recovery support services.

Collaboration with Peers and Family Members: At least every six months, the Contractor shall meet with a broad spectrum of peers, family members, Peer and Family Run Organizations, advocacy organizations or any other persons that have an interest in participating in improving the system. The purpose of these meetings is to gather input; discuss issues, identify challenges and barriers, problem-solve, share information, and strategize ways to improve or strengthen the service delivery system and shall invite AHCCCS/OIFA to participate at these meetings.

Community Resource Guide: The Contractor shall develop a Community Resource Guide that is updated quarterly and contains community resource information applicable to the population in the assigned geographical service area and is provided in hard copy when requested. The Community Resource Guide shall be provided on the Contractor's website as specified in ACOM Policy 404.

Refer to AMPM Policy 963 and AMPM Policy 964 for requirements regarding the provision of Peer/Recovery Support Specialists and Parent/Family Support Services within the AHCCCS program.

6. RESERVED

7. ACCOMODATING AHCCCS MEMBERS

The Contractor shall ensure that members are provided covered services without regard to race, color, national origin, sex, sexual orientation, gender identity, age or disability and will not use any policy or practice that has the effect of discriminating on the basis of race, color, or national origin, sex, sexual orientation, gender identity, age or disability [42 CFR 457.1201(d), 42 CFR 438.3(d)(4), 45 CFR Part 92]. Examples of prohibited practices include, but are not limited to, the following:

1. Denying or not providing a member any covered service or access to an available facility.
2. Providing to a member any medically necessary covered service which is different, or is provided in a different manner or at a different time from that provided to other members, other public or private patients or the public at large, except where medically necessary.
3. Subjecting a member to segregation or separate treatment in any manner related to the receipt of any covered service, restricting a member in any way in his or her enjoyment of any advantage or privilege enjoyed by others receiving any covered service.
4. Assigning times or places for the provision of services on the basis of the race, color, creed, religion, age, sex, national origin, ancestry, marital status, sexual orientation, income status, AHCCCS membership, or physical or intellectual disabilities of the participants to be served.

The Contractor shall assure members the rights as specified in 42 CFR 438.100.

The Contractor shall ensure members and individuals with disabilities are accommodated to actively participate in the provision of services and have physical access to facilities, procedures and exams. For example, the Contractor shall provide appropriate auxiliary aids and services to persons with impaired sensory, manual, or speaking skills. The Contractor shall provide accommodations to members and individuals with disabilities at no cost to afford such persons an equal opportunity to benefit from the covered services [45 CFR 92.202–92.205].

If the Contractor knowingly executes a subcontract with a provider with the intent of allowing or permitting the provider to implement barriers to care (i.e. the terms of the subcontract act to discourage the full utilization of services by some members) the Contractor may be in default of its Contract.

If the Contractor identifies a problem involving discrimination or accommodations for individuals with disabilities by one of its providers, the Contractor shall promptly intervene and

require a Corrective Action Plan from the provider. Failure to take prompt corrective measures may place the Contractor in default of its Contract.

8. TRANSITION ACTIVITIES

The Contractor shall comply with the AMPM and the ACOM standards for member transitions between AHCCCS Programs, Contractors, or GSAs, and upon termination or expiration of a Contract.

When relinquishing members, the relinquishing Contractor is responsible for timely notification to the receiving Contractor regarding pertinent information related to special needs of transitioning members. Relinquishing Contractors who fail to notify the receiving Contractor or FFS Program of transitioning members with special circumstances will be responsible for covering the members' care for up to 30 days following the transition.

Appropriate medical records and Contractor care management and/or provider case management files for the transitioning member shall be transmitted to the receiving Contractor. The cost, if any, of transition activities including reproducing and forwarding medical records shall be the responsibility of the relinquishing Contractor. The Contractor is responsible for coordinating care with the relinquishing Contractor to ensure provision of uninterrupted services, Contractor and service information, emergency numbers, and instructions on how to obtain services. Refer to AMPM Policy 520 and ACOM Policy 402 for additional Contractor transition requirements.

The Contractor shall implement a transition of care policy consistent with the requirements in 42 CFR 438.1216, 42 CFR 438.62(b)(1)-(2), ACOM Policy 402, and AMPM Policy 520.

The Contractor shall designate a Key Staff person with appropriate training and experience to act as the Member Transition Coordinator. The Transition Coordinator shall interact closely with the Transition Coordinator of the relinquishing Contractor for a safe, timely, and orderly transition. See Section D, Paragraph 15, Staffing Requirements and ACOM Policy 402 for more information regarding the role and responsibilities of the Transition Coordinator.

When a Contractor receives members from another Contractor the Contractor shall:

1. Ensure a smooth transition for members by continuing previously approved prior authorizations for 30 days after the member transition unless mutually agreed to by the member or member's representative, and
2. When relinquishing members, timely notify the receiving Contractor regarding pertinent information related to any special needs of transitioning members.

The Contractor shall comply with the AMPM and the ACOM standards for member transitions between Contractors as specified above. A new Contractor who receives members from another Contractor as a result of a Contract award shall ensure a smooth transition for members by continuing previously approved prior authorizations for 30 days after the member transition unless mutually agreed to by the member or member's representative. For individuals in Maricopa County who transition to the Contractor for their physical health from a health plan and who have an established relationship with a PCP, refer to Section D, Paragraph 29, Primary Care Provider Standards.

When SMI individuals transition to the Contractor for their physical health from another AHCCCS Contractor, members in active treatment (including but not limited to chemotherapy, pregnancy, drug regimens or a scheduled procedure) with a non-participating/non-contracted AHCCCS registered provider shall be allowed to continue receiving treatment from the non-participating/non-contracted provider through the duration of their prescribed treatment.

The Contractor shall develop and implement member transition policies and procedures which include but are not limited to:

1. Members with significant medical conditions such as, a high-risk pregnancy or pregnancy within the third trimester, the need for organ or tissue transplantation, chronic illness resulting in hospitalization or nursing facility placement, etc.,
2. Children under age 19 who are blind, have disabilities, have a CRS condition, are in foster care or other out-of-home placement, or are receiving adoption assistance,
3. Members determined to have a serious or chronic physical, developmental and/or behavioral health condition such as a Serious Mental Illness, serious emotional disorders, autism, intellectual disability,
4. Members who are receiving ongoing services such as dialysis, home health, chemotherapy and/or radiation therapy, end of life care or hospice, or who are hospitalized at the time of transition,
5. Members who have conditions requiring ongoing monitoring or screening such as elevated blood lead levels and members who were in the Neonatal Intensive Care Unit (NICU) after birth,
6. Members who frequently contact AHCCCS, State and local officials, the Governor's Office and/or the media,
7. Members who have received prior authorization for services such as scheduled surgeries, post-surgical follow-up visits, out-of-area specialty services, or nursing home admission,
8. Continuing prescriptions, medical equipment, appliances, supplies and medically necessary transportation ordered for the transitioning member by the relinquishing Contractor, and
9. Medical records of the transitioning member (the cost, if any, of reproducing and forwarding medical records shall be the responsibility of the relinquishing AHCCCS Contractor),
10. Any members transitioning to/from DCS/CMDP, and
11. Individuals who are experiencing homelessness or formerly homeless residing in Permanent Supportive Housing for SMI or GMH/SU members. Individuals experiencing homelessness includes individuals or families who do not have a fixed, sustainable or appropriate nighttime residence including:
 - a. The primary nighttime residence is a public or private place not meant for human habitation,
 - b. The individual is living in a shelter designated to provide temporary living (including homeless shelters, transitional housing, hotels paid for by charitable organization or government program), or
 - c. The individual is being discharged from an institution, such as a residential treatment or similar facility, a behavioral health inpatient stay, physical health hospitalization, jail/prison, and they were admitted as homeless and/or whose discharge is likely to result in returning to the street or shelter as specified in a. or b. above.

Member Transitions Due to Contract Termination: In accordance with ACOM Policy 440, in the event that the Contract or any portion thereof is terminated for any reason, or expires, the Contractor shall assist AHCCCS in the transition of its members, and shall abide by the standards and protocols as specified by AHCCCS. In addition, AHCCCS reserves the right to extend the term of the Contract on a month-to-month basis to assist with member transitions. AHCCCS may discontinue enrollment of new members with the Contractor three months prior to the Contract termination date or as otherwise determined by AHCCCS.

The Contractor shall make provisions for continuing all management and administrative services until the transition of members is completed and all other requirements of this Contract are satisfied. The Contractor shall submit a detailed plan to AHCCCS for approval regarding the transition of members in the event of Contract expiration or termination. The name and title of the Contractor's Transition Coordinator shall be included in the transition plan. The Contractor shall be responsible for providing all reports set forth in this Contract and those necessary for the transition process, and shall be responsible for the following [42 CFR 438.610(c)(3), 42 CFR 434.6(a)(6)]:

1. Notifying subcontractors and members,
2. Paying all outstanding obligations for medical care rendered to members until AHCCCS is satisfied that the Contractor has paid all such obligations. The Contractor shall provide a monthly claims aging report including Incurred But Not Reported (IBNR) amounts (due the 15th day of the month, for the prior month),
3. Providing Quarterly and Annual Audited Financial Statements [42 CFR 438.3(m)] up to the date specified by AHCCCS. The financial statement requirement will not be absolved without an official release from AHCCCS [42 CFR 438.3(m)],
4. Continuing encounter reporting until all services rendered prior to Contract termination have reached adjudicated status and data validation of the information has been completed, as communicated by a letter of release from AHCCCS,
5. Cooperating with reinsurance audit activities on prior Contract Years until release has been granted by AHCCCS,
6. Cooperating with AHCCCS to complete and finalize any open reconciliations, until release has been granted by AHCCCS. AHCCCS will work to complete any pending reconciliations as timely as can be completed, allowing for appropriate lag time for claims run-out and/or changes to be entered into the system,
7. Submitting quarterly Quality Management and Medical Management reports as required by Section D, Paragraph 22, Quality Management and Performance Improvement (QM/PI) Reporting Requirements and, Section D, Paragraph 23, Medical Management Reporting Requirements, as appropriate to provide AHCCCS with information on services rendered up to the date of contract termination. This shall include Quality of Care (QOC) concern reporting based on the date of service,
8. Participating in and closing out Performance Measures and Performance Improvement Projects as requested by AHCCCS,
9. Maintaining a Performance Bond as long as the Contractor has liabilities of \$50,000 or more outstanding or 15 months following the termination date of this Contract, whichever is later. At that time, a formal request to release the performance bond, as well as a balance sheet, must be submitted.

10. Indemnifying AHCCCS for any claim by any third party against the State or AHCCCS arising from the Contractor's performance of this Contract and for which the Contractor would otherwise be liable under this Contract,
11. Returning to AHCCCS, any funds advanced to the Contractor for coverage of members for periods after the date of termination. Funds must be returned to AHCCCS within 30 days of termination of the Contract,
12. Providing a monthly accounting of member grievances and provider claim disputes and their disposition,
13. Retaining, preserving and making available records, within the timeframes required by State and Federal law, including but not limited to 45 CFR 164.530(j)(2) and 42 CFR 438.3(u), and
14. Transfer of member data and disposition of any related member medical records in a timely manner to ensure adequate health plan and provider access to appropriate records for the provision of timely care to members, to minimize disruption (e.g. due to incompatibility of systems), and to ensure transfer of data for timely and accurate submission of deliverables.

The above list is not exhaustive; additional information may be requested to ensure that all operational and reporting requirements have been met. Any dispute by the Contractor, with respect to termination or suspension of this Contract by AHCCCS, shall be exclusively governed by the provisions of Terms and Conditions, Paragraph 19, Disputes.

9. SCOPE OF SERVICES

The Contractor shall provide covered services to AHCCCS members in accordance with all applicable Federal and State laws, Section 1115 Demonstration Waiver, regulations, Contract, and policies, including those incorporated by reference in this Contract. The services are specified in detail in AHCCCS rules including but not limited to AHCCCS regulations in A.A.C. R9-22 Article 2, 12, and 13, the AHCCCS Medical Policy Manual (AMPM), AHCCCS Behavioral Health Covered Service Guide, and the AHCCCS Contractor Operations Manual (ACOM), all of which are incorporated herein by reference, and may be found on the AHCCCS website [42 CFR Part 457 and 42 CFR Part 438]. To be covered, services must be medically necessary and cost effective. Covered services are briefly specified below. See also AMPM Exhibit 300-1 and AMPM Exhibit 300-2A.

The Contractor shall ensure the coordination of services it provides with services the member receives from other entities. The Contractor shall ensure that, in the process of coordinating care, each member's privacy is protected in accordance with the privacy requirements including, but not limited to 45 CFR Parts 160 and 164, Subparts A and E, and Arizona statute, to the extent that they are applicable [42 CFR 438.208(b)(2) and (b)(4), 42 CFR 457.1230(c), 42 CFR 438.208(b)(6), and 42 CFR 438.224].

The Contractor shall obtain consent and authorization to disclose protected health information in accordance with 42 CFR 431, 42 CFR part 2, 45 CFR parts 160 and 164, and A.R.S. §36-509 and shall retain consent and authorization medical records as prescribed in A.R.S. §12-2297 and in conformance with AHCCCS Policy.

The Contractor is prohibited from paying for an item or service (other than an emergency item or service, not including items or services furnished in an emergency room of a hospital) with respect to any amount expended for which funds may not be used under the Assisted Suicide

Funding Restriction Act of 1997 [Section 1903(i) final sentence and Section 1903(i)(16) of the Social Security Act].

Services must be rendered by providers that are appropriately licensed or certified, operating within their scope of practice, and registered as an AHCCCS provider. The Contractor shall provide the same standard of care for all members, regardless of the member's eligibility category. The Contractor shall ensure that the services are sufficient in amount, duration and scope to reasonably be expected to achieve the purpose for which the services are furnished [42 CFR 434.6(a)(4)]. The Contractor shall not arbitrarily deny or reduce the amount, duration, or scope of a required service solely because of diagnosis, type of illness, or condition of the member [42 CFR 457.1230(d), 42 CFR 438.210(a)(3)(ii)]. The Contractor may place appropriate limits on a service on the basis of criteria such as medical necessity; or for utilization control, provided the services furnished can reasonably be expected to achieve their purpose [42 CFR 457.1230(d), 42 CFR 438.210(a)(3)(i), and 42 CFR 438.210(a)(4)].

The Contractor is prohibited from avoiding costs for services covered in its Contract by referring members to publicly supported health care resources [42 CFR 457.1201(p)].

Moral or Religious Objections: The Contractor shall notify AHCCCS if, on the basis of moral or religious grounds, it elects to not provide or reimburse for a covered service [Section 1932(b)(3)(B)(i) of the Social Security Act, 42 CFR 457.1222, 42 CFR 457.1207, 42 CFR 438.10(e)(2)(v)(C), 42 CFR 438.102(a)(2)]. The Contractor shall submit a Proposal addressing members' access to the services [Section 1932(b)(3)(B)(i) of the Social Security Act, 42 CFR 457.1222, 42 CFR 438.102(b)(1)(i)(A)(1)-(2)]. AHCCCS does not intend to offer the services on a Fee-For-Service basis to the Contractor's members. In the event the Proposal is not approved, AHCCCS will notify the Contractor. In these circumstances AHCCCS may disenroll members who are seeking these services from the Contractor and assign members to another Contractor.

The Proposal must:

1. Be submitted to AHCCCS in writing prior to entering into a Contract with AHCCCS or at least 60 days prior to the intended effective date of the change in the scope of services based on moral or religious grounds,
2. Place no financial or administrative burden on AHCCCS,
3. Place no significant burden on members' access to the services,
4. Be accepted by AHCCCS in writing, and
5. Acknowledge an adjustment to Capitation Rates and Contractor Specific Requirements, depending on the nature of the proposed solution.

If AHCCCS approves the Contractor's Proposal for its members to access the services, the Contractor must immediately develop a policy implementing the Proposal along with a notification to members of how to access these services. The notification and policy must be consistent with the provisions of 42 CFR 438.10, and shall be approved by AHCCCS prior to dissemination. The notification must be provided to newly assigned members within 12 days of enrollment, and must be provided to all current members at least 30 days prior to the effective date of the Proposal [42 CFR 438.102, 42 CFR 438.102(b)(1)(i)(B), 42 CFR 438.10(g)(4)].

The Contractor's ability to ensure the delivery of services requires a complete and thorough understanding of the intricate, multi-layered service delivery system in order to create a system

of care that addresses the member's needs. The type, amount, duration, scope of services and method of service delivery depends on a wide variety of factors including:

1. Eligible populations,
2. Covered services benefit package,
3. Approach,
4. Funding, and
5. Member need.

The Contractor is required to comply with all terms in this Contract and all applicable requirements in each document, guide, and manual, however, particular attention for requirements for effective service delivery should be paid to the following:

1. AHCCCS Medical Policy Manual (AMPM), and
2. AHCCCS Contractor Operations Manual (ACOM).

General Requirements for the System of Care: Regardless of the type, amount, duration, scope, service delivery method, and population served, the Contractor's service delivery system shall incorporate the following elements:

1. Coordinate and provide access to high-quality health care services informed by evidence-based practice guidelines in a cost effective manner.
2. Coordinate and provide access to high-quality health care services that are culturally and linguistically appropriate, maximize personal and family voice and choice, and incorporate a trauma-informed care approach.
3. Coordinate and provide access to preventive and health promotion services, including wellness services.
4. Coordinate and provide access to comprehensive care coordination and transitional care across settings; follow-up from inpatient to other settings; participation in discharge planning; and facilitating transfer from the children's system to the adult system of health care.
5. Coordinate and provide access to chronic disease management support, including self-management support.
6. Conduct a behavioral health assessment and provide a Service Plan following a Health Home model as specified in AMPM Policy 320-O.
7. Coordinate and provide access to peer and family delivered support services, based on member's needs, voice, and choice.
8. Provide covered services to members in accordance with all applicable Federal and State laws, regulations and policies, including those incorporated by reference in this Contract.
9. Develop Service Plans that maximize personal and family voice and choice.
10. Coordinate and integrate clinical and non-clinical health-care related needs and services.
11. Implement health information technology to link services, facilitate communication among treating professionals and between the health team and individual and family caregivers.
12. Deliver services by providers that are appropriately licensed or certified, operating within their scope of practice, and registered as an AHCCCS provider.

The Contractor shall assure and demonstrate that it has the capacity to serve the expected enrollment in its service area in accordance with AHCCCS standards for access and timeliness of care [42 CFR 457.1230(b), 42 CFR 438.207(a), 42 CFR 438.68, 42 CFR 438.206(c)(1)].

The Contractor shall ensure that its providers, acting within the lawful scope of their practice, are not prohibited or otherwise restricted from communicating freely with members regarding their health care, medical needs and treatment options, even if needed services are not covered by the Contractor [Section 1932(b)(3)(A) of the Social Security Act; 42 CFR 457.1222, 42 CFR 438.102(a)(1)(i)-(iv)]:

1. The member's health status, medical care or treatment options, including any alternative treatment that may be self-administered [42 CFR 438.102 (a)(1)(i)],
2. Information the member needs in order to decide among all relevant treatment options,
3. The risks, benefits, and consequences of treatment or non-treatment, and
4. The member's right to participate in decisions regarding his or her health care, including the right to refuse treatment, and to express preferences about future treatment decisions [42 CFR 457.1220, 42 CFR 438.100(a)(1), 42 CFR 438.100(b)(2)(iv)].

General Requirements: The Contractor shall apply the same standard of care for all members, regardless of the member's eligibility category, deliver services that are sufficient in amount, duration and scope to reasonably be expected to achieve the purpose for which the services are furnished and not arbitrarily deny or reduce the amount, duration, or scope of a required service solely because of diagnosis, type of illness, or condition of the member [42 CFR 438.210 (a)(3)(iii)]. The Contractor must have the discretion to place appropriate limits on a service on the basis of criteria such as medical necessity or for utilization control, provided the services furnished can reasonably be expected to achieve their purpose [42 CFR 438.210(a)(3)(i) and 42 CFR 438.210(a)(4)].

The Contractor shall require subcontracted providers to offer the services specified in Section D, Paragraph 17, Member Information. The Contractor shall require covered services to be medically necessary and cost effective and to be provided by or coordinated by a primary care provider except for annual well woman exams, behavioral health and children's dental services, and consistent with the terms of the demonstration, covered services must be provided by or coordinated with a primary care provider. The Contractor shall provide covered services to members in accordance with all applicable Federal and State laws, regulations and policies, including those incorporated by reference in this Contract.

Authorization of Services: The Contractor shall have in place and follow written policies and procedures for the processing of requests for initial and continuing authorizations of services [42 CFR 457.1230(d), 42 CFR 438.210(b)(1), 42 CFR 438.910(d)]. The Contractor shall have mechanisms in place to ensure consistent application of review criteria for authorization decisions [42 CFR 457.1230(d), 42 CFR 438.210(b)(2)(i)]. The Contractor shall consult with the requesting provider for medical services when appropriate [42 CFR 457.1230(d), 42 CFR 438.210(b)(2)(ii)]. Any decision to deny a service authorization request or to authorize a service in an amount, duration or scope that is less than requested, must be made by a health care professional who has appropriate clinical expertise in treating the member's condition or disease [42 CFR 457.1230(d) and 42 CFR 438.210(b)(3)]. Refer to AMPM Policy 1020 and Section F, Attachment F1, Member Grievance and Appeal System Standards for additional service authorization requirements.

The Contractor shall ensure the delivery of all medically necessary physical health care service to Medicaid eligible SMI members entitled to receive physical health care services.

Ambulatory Surgery: The Contractor shall provide surgical services for either emergency or scheduled surgeries when provided in an ambulatory or outpatient setting, such as a freestanding surgical center or a hospital-based outpatient surgical setting.

American Indian Member Services: The Contractor shall:

1. Provide access to all applicable covered services to Medicaid eligible American Indians within the assigned Geographic Service Area, whether they live on or off the reservation,
2. Cover costs of emergency services and medically necessary services for eligible American Indian members when members are referred off reservation and services are rendered at non-IHS facilities or tribally owned or operated facilities,
3. Not be responsible for payment for medically necessary services provided to Medicaid eligible members at IHS or 638 Tribal Facilities to its members; AHCCCS is responsible for these payments,
4. Provide medically necessary covered services to eligible American Indians through agreements with tribes, IHS facilities, and other providers of services. The Contractor may serve eligible American Indians on reservation with agreement from the tribe,
5. Develop and maintain a network of providers that can deliver culturally and linguistically appropriate services to American Indian members, and
6. In addition to services provided through the Contractor, American Indian members through their enrollment choice can always receive services from an IHS or a 638 tribal facility.

Anti-Hemophilic Agents and Related Services: The Contractor shall provide services for the treatment of hemophilia, Von Willebrand's disease, and Gaucher's Disease.

Audiology Services: The Contractor shall provide medically necessary audiology services to evaluate hearing loss for all members, on both an inpatient and outpatient basis. Hearing aids are covered only for members age 18 to 20 receiving Early and Periodic Screening, Diagnostic and Treatment (EPSDT) services.

Behavioral Health Covered Services: The Contractor shall ensure the delivery of medically necessary and clinically appropriate covered behavioral health services to eligible members in conformance with AMPM Policy 310-B and AMPM Exhibit 300-2A.

Adult Behavioral Health Therapeutic Homes: A licensed residence that provides behavioral health treatment, which maximizes the ability of an individual experiencing behavioral health symptoms to live and participate in the community and to function in an independent manner that includes assistance in the self-administration of medication and any ancillary services (such as living skills and health promotion) indicated by the member's Treatment Plan, as appropriate. Refer to AMPM Policy 320-X. The Contractor shall develop, and publish to its website, Adult Behavioral Health Therapeutic Homes (ABHTH) admission, continued stay, and discharge criteria for medical necessity which at a minimum includes the elements as specified in AMPM Policy 320-X. The Contractor shall submit the criteria for prior approval as specified in Attachment F3, Contractor Chart of Deliverables.

Behavior Analysis: Behavior Analysis services are an AHCCCS covered benefit for individuals with Autism Spectrum Disorder (ASD) and other diagnoses as justified by medical necessity. Refer to AMPM Policy 320-S.

Behavioral Health Day Program Services: Include services such as therapeutic nursery, in-home stabilization, after school programs, and specialized outpatient substance use/abuse programs.

Behavioral Health Residential Facility Services: Services provided by a licensed behavioral health service agency that provides treatment to an individual experiencing a behavioral health symptom that:

1. Limits the individual's ability to be independent, or
2. Causes the individual to require treatment to maintain or enhance independence (A.A.C. R9-10-101).

Refer to AMPM Policy 320-V.

The Contractor shall develop, and publish to its website, admission criteria for medical necessity which at a minimum includes the elements as specified in AMPM Policy 320-V. The Contractor shall submit the criteria for prior approval as specified in Attachment F3, Contractor Chart of Deliverables.

Crisis Services: AHCCCS supports a coordinated system of entry into crisis services that are community based, recovery-oriented, person focused, and work to stabilize the individual as quickly as possible to assist them in returning to their baseline of functioning. Collaboration, the improvement of data collection standards, and communication are integral in enhancing quality of care leading to better health care outcomes, while containing cost. Expanding provider networks capable of providing a full array of crisis services geared towards the individual is expected to maintain a person's health and enhance quality of life. The collection, analysis, and use of crisis service data for crisis service delivery and coordination of care is critical to the effectiveness of the overall crisis delivery system.

The Contractor shall:

1. Be responsible for the provision of a full continuum of crisis services to all individuals, within their GSA(s), including individuals in the Federal Emergency Services Program (FESP). Crisis services include but are not limited to; crisis telephone response, mobile crisis teams, and facility-based stabilization (including observation and detox), and all other associated covered services delivered within the first 24 hours (for Title XIX/XXI members) of a crisis episode.
2. Stabilize individuals as quickly as possible and assist them in returning to their pre-crisis level of functioning.
3. Provide solution-focused and recovery-oriented interventions designed to avoid unnecessary hospitalization, incarceration, or placement in a more segregated setting, utilizing a trauma-informed and responsive care approach.
4. Utilize the engagement of peer and family support services in providing crisis services.
5. Immediately assess the individual's needs, identify the supports and services that are necessary to meet those needs, and connect the individual to those services.
6. Not require prior authorization for emergency behavioral health services, including crisis services (A.A.C. R9-22-210.01),

7. Require subcontracted providers that are not part of Contractor's crisis network to deliver crisis services, or be involved in crisis response activities during regular business operating hours.
8. Coordinate with all clinics and case management agencies to resolve crisis situations for assigned members.
9. Develop local county-based stabilization services to prevent unnecessary transport outside of the community where the crisis is occurring.
10. Ensure individuals are connected through warm handoffs throughout the crisis care continuum, to support the coordination of crisis services and connection to ongoing care.
11. Provide crisis services on tribal lands as dictated by each tribe within the Contractor's assigned GSAs:
 - a. Annually, the Contractor shall contact each tribe within the Contractor's GSAs to offer a full range of crisis services in an attempt to establish agreements for the provision of crisis services on tribal lands, per the discretion and needs of the tribe,
 - b. Report annually the status of tribal agreements for the provision of crisis services on tribal lands in the Tribal Coordinator Report. Refer to Section D, Paragraph 23, Medical Management. Refer to Section F, Attachment F3, Contract Chart of Deliverables, and
 - c. Develop a process where tribal liaisons and appropriate clinical staff coordinate crisis services on tribal lands with crisis providers.
12. Provide non-emergency transportation for continuing care and/or for connection to community resources for immediate crisis stabilization.
13. Implement core and essential system requirements detailed in SAMHSA's National Guidelines for Behavioral Health Crisis Care.
14. Coordinate benefits and required payments of Liable Third Parties as specified in ACOM Policy 434.
15. Participate in a data and information sharing system, connecting crisis providers and member physicians through a health information exchange.
16. AHCCCS will provide the Contractor necessary access to member data, which shall be used to support crisis services care coordination for members receiving general mental health and substance use services through an AHCCCS Complete Care Contractor or AIHP.
17. Analyze, track, and trend crisis service utilization data in order to improve crisis services. Maintain data and be able to report information that contains, but is not limited to:
 - a. Telephone call volume and metrics, calls resolved by phone, calls made in follow up to a crisis to ensure stabilization, and call dispositions including triage to Nurse-On Call services, referral, and dispatch of service providers, community and collaborative partners, and health plan notification for dual eligible members,
 - b. Mobile team dispositions to include response timeframes, transports to crisis stabilization units and other facilities, initiation of COE/COT process, and coordination with collaborative partners, and
 - c. Submit, as specified in Section F, Attachment F3, Contractor Chart of Deliverables, a Crisis Call Report of the total volume and disposition of crisis calls and disposition of mobile team dispatch and outcomes received by local and toll free Crisis Line numbers.
18. In conformance with Section D, Paragraph 11, Medical Management, provide community information about crisis services and develop and maintain collaborative

relationships with community partners including: fire, police, emergency medical services, hospital emergency departments, AHCCCS Health Plans, and other providers of public health and safety services, and:

- a. Have active involvement with local police, fire departments, and first responders, and other community and statewide partners in the development and maintenance of strategies for crisis service care coordination and strategies to assess and improve crisis response services,
 - b. Provide, at a minimum, annual trainings to support and develop law enforcement agencies understanding of behavioral health emergencies and crises, and
 - c. Utilize and train tribal police to be able to assist in behavioral health crisis response on tribal land.
19. Develop a collaborative process to ensure information sharing for timely access to Court Ordered Evaluation (COE) services, and submit the deliverables related to Crisis Services reporting as specified in Section F, Attachment F3, Contractor Chart of Deliverables.
20. For AHCCCS members who do not receive behavioral health services through the RBHA, the RBHA Contractor shall notify the Contractor of enrollment within 24 hours of a member engaging in crisis services (telephone response, mobile crisis teams and/or stabilization services) and provide clinical recommendations for the individual's continuing care, so subsequent services can be initiated by the Contractor of enrollment. The member's assigned health plan is responsible for all other medically necessary services related to a crisis episode after the first 24 hours of crisis episode. The Contractor shall develop policies and procedures to ensure timely notification and communication with health plans for members who have engaged crisis services.

The Contractor of enrollment for members who do not receive behavioral health services through the RBHA is one of the following:

- a. AHCCCS Complete Care Contractor,
- b. DDD's Subcontracted Health Plan,
- c. ALTCS E/PD Contractor, or
- d. AIHP

For AHCCCS members who receive behavioral health services through a RBHA, the Contractor shall develop policies and procedures to ensure timely communication with Crisis Services providers, the assigned RBHA (if the Contractor is not the assigned RBHA), and the Contractor of enrollment for physical health services for members who have engaged crisis services.

The Contractor of enrollment for members who receive behavioral health services through a RBHA is one of the following:

- a. DCS/CMDP, or
- b. AIHP

The Contractor shall timely notify the appropriate parties, as identified above, when a shared member engages in the crisis system. The Contractor shall ensure timely follow up and care coordination for members after receiving crisis services, whether the member received services within, or outside the Contractor's GSA at the time services were provided, to ensure stabilization of the member and appropriate delivery of ongoing necessary treatment and services.

Crisis Services – Crisis Stabilization Settings: The Contractor shall establish and maintain crisis stabilization settings with the following capabilities: Offer 24 hour substance use disorder/psychiatric crisis stabilization services including 23 hour crisis stabilization/observation capacity, for Individuals with Substance Use Disorders (SUDs), offer crisis stabilization services that provide access to all FDA approved Medication Assisted treatment (MAT) options covered under the AHCCCS Drug List, and provide short-term crisis stabilization services in an effort to successfully resolve the crisis and return the individual to the community instead of transitioning to a higher level of care. Crisis Stabilization settings must accept all crisis referrals, adhere to a “no wrong door” approach for referrals, and ensure streamlined practices for swift and easy transfer of individuals from law enforcement and public safety personnel. The Contractor shall provide crisis assessment and stabilization services in settings consistent with requirements to have an adequate and sufficient provider network that includes any combination of the following:

1. Licensed Level I acute (Behavioral Health Inpatient Facility) and sub-acute facilities (Behavioral Health Observation/Stabilization Service),
2. Behavioral Health Residential facilities,
3. Outpatient clinics (Outpatient Treatment Centers) offering 24 hours per day, seven days per week access, and
4. Opioid Treatment Program (OTP)Centers.

The Contractor shall have the discretion to include home-like settings such as apartments and single family homes where individuals experiencing a psychiatric crisis can stay to receive support and crisis respite services in the community before returning home.

Crisis Services – Mobile Crisis Teams: The Contractor shall establish and maintain mobile crisis teams with the following capabilities:

1. Ability to travel to the place where the individual is experiencing the crisis.
2. Ability to assess and provide immediate crisis intervention.
3. Provide mobile teams that have the capacity to serve specialty needs of population served including youth and children, hospital rapid response, and developmentally disabled.
4. Provide services for the assessment and immediate stabilization of acute symptoms of mental illness, alcohol and other drug abuse, and emotional distress.
5. Employ reasonable efforts to stabilize acute psychiatric or behavioral symptoms, evaluate treatment needs, and develop individualized plans to meet the person’s needs.
6. When clinically indicated, transport the individual to a more appropriate facility for further care.
7. Require mobile crisis teams to respond on site within the average of 60 minutes of receipt of the crisis call. Average of 60 minutes is calculated by utilizing the monthly average of all crisis call response times. Refer to ACOM Policy 436.
8. Prioritize and incentivize expeditious response of mobile crisis teams that occur below established performance thresholds.
9. Prioritize law enforcement requests for mobile team dispatch with a target response time of 30 minutes or less.
10. Work collaboratively with law enforcement/public safety personnel and develop strategies to ensure mobile team response is effective and tailored to specific needs.

11. Utilize credentialed peers or family support specialists for mobile crisis team response.

Crisis Services – Telephone Response: The Contractor shall:

1. Establish and maintain a 24 hours per day, seven days per week crisis response system.
2. Establish and maintain a single toll-free crisis telephone number.
3. Publicize its single toll-free crisis telephone number throughout its assigned GSA(s) and include it prominently on the Contractor's web site, the Member Handbook, member newsletters and as a listing in the resource directory of local telephone books.
4. Have a sufficient number of staff to manage the telephone crisis response line.
5. Answer calls to the crisis response line within three telephone rings, with a call abandonment rate of less than 3%.
6. Include triage, referral, and dispatch of service providers and patch capabilities to and from 911 and other crisis providers or crisis systems as applicable.
7. Provide telephone support to callers to the crisis response line including a follow-up call within 72 hours to make sure the caller is stabilized.
8. Offer interpretation or language translation services to persons who do not speak or understand English and for the deaf and hard of hearing.
9. Provide *Nurse On-Call* services 24 hours per day, seven days per week to answer general healthcare questions from SMI members receiving physical health care services under this Contract and to provide them with general health information and self-care instructions.

Inpatient Behavioral Health Services for Members in an IMD who are between the Ages of 21 and 64: The Contractor may provide members aged 21-64 inpatient treatment in an Institution for Mental Diseases, so long as the facility is a hospital providing psychiatric or substance use disorder inpatient care or a sub-acute facility providing psychiatric or substance use disorder crisis residential services, and length of stay in the IMD is for no more than 15 cumulative days during the calendar month. AHCCCS considers the following provider types to be IMDs: B1-Residential Treatment CTR-Secure (17+Beds), B3-Residential Treatment Center-Non-Secure, B6-Subacute Facility (17+Beds), and 71-Psychiatric Hospital. When the length of stay is no more than 15 cumulative days during the calendar month, AHCCCS shall pay the Contractor the full monthly capitation [42 CFR 438.6(e)]. The Contractor may not require the member to use an IMD. Services may be provided in an IMD only when the services meet the requirements for in lieu of services at 42 CFR 457.1201(e) and 42 CFR 438.3(e)(2)(i)-(iii).

When the length of stay in the IMD is more than 15 cumulative days during the calendar month, AHCCCS shall recoup the full monthly capitation from all Contractors regardless of whether the Contractor is responsible for inpatient behavioral health services and regardless of whether the Contractor authorized the IMD stay. AHCCCS shall pay all Contractors pro-rated capitation based on any days during the calendar month the member was not inpatient in the IMD when the IMD stay(s) exceeds 15 days.

When the length of stay in the IMD is more than 15 cumulative days during the calendar month, the Contractor must provide the member all medically necessary services during the IMD stay that are covered under this Contract and that would be Title XIX compensable but

for the IMD stay. The Contractor shall submit encounters for all services provided during the IMD stay.

The Contractor shall submit notification of an IMD Placement Exceeding 15 Days as specified in Section F, Attachment F3, Contractor Chart of Deliverables. Refer to ACOM Policy 109 for further information on the IMD 15 day limit.

Inpatient Hospital Services: Inpatient services provided by a licensed behavioral health agencies including the following:

1. Hospitals (including room and board)
2. Subacute Facilities
3. Residential Treatment Centers (RTC)

These facilities provide a structured treatment setting with 24 hour supervision and an intensive treatment program, including medical support services.

In accordance with 42 CFR 438.3(e)(2)(i)-(iii), the Contractor may provide services in alternative inpatient settings that are licensed by ADHS/DLS, in lieu of services in an inpatient hospital.

Non-Title XIX/XXI Behavioral Health Services: Service provision for Non-Title XIX/XXI services for Contractor enrolled members is provided by the RBHAs. Non-title XIX/XXI services include, room and board, mental health services (formerly known as traditional healing), auricular acupuncture, child care, and supportive housing rent/utility subsidies and relocation services. The Contractor shall have established processes in place to refer members to the RBHA for Non-Title XIX/XXI services. The Contractor shall have regular and ongoing training for providers and members to assist members with how to access these services. The Contractor shall ensure providers coordinate care for members as appropriate. Refer to AMPM Policy 320-T1 and AMPM Policy 320-T2.

Rehabilitation Services: The Contractor shall provide rehabilitation services which include the provision of educating, coaching, training and demonstrating. Other services include securing and maintaining employment to remediate residual or prevent anticipated functional deficits. Rehabilitation services include:

1. Skills Training and Development and Psychosocial Rehabilitation Living Skills Training,
2. Cognitive Rehabilitation,
3. Behavioral Health Prevention/Promotion Education and Medication Training and Support (Health Promotion), and
4. Supported Employment [Psychoeducational Service (Pre-Job Training and Job Development) and Ongoing Support to Maintain Employment (Job Coaching and Employment Support)].

Special Assistance: For members determined to have a Serious Mental Illness, the Contractor shall require its staff, subcontractors, and service providers to identify individuals in need of special assistance to AHCCCS/DCAIR and ensure consistency with the requirements as specified in AMPM Policy 320-R. Additionally, the Contractor shall

cooperate with the Independent Oversight Committee (IOC) in meeting its obligations as specified in AMPM Policy 320-R and submit the deliverables related to Special Assistance Services reporting as specified in Section F, Attachment F3, Contractor Chart of Deliverables.

Support Services: Support services are provided to facilitate the delivery of, or enhance the benefit received from, other behavioral health services. These services include but are not limited to:

1. Provider Case Management,
2. Personal Care Services,
3. Home Care Training Family Services (Family Support),
4. Self-Help/Peer Services (Peer Support),
5. Therapeutic Foster Care (TFC),
6. Unskilled Respite Care, and
7. Transportation.

Therapeutic Foster Care: Services provided by a licensed behavioral health service agency that provides treatment to an individual experiencing a behavioral health symptom that maximizes the member's ability to live and participate in the community and to function independently, including assistance in the self-administration of medication and any ancillary services (such as living skills and health promotion) indicated by the member's Treatment Plan as appropriate. Refer to AMPM Policy 320-W. The Contractor shall develop, and publish to its website, Therapeutic Foster Care (TFC) admission, continued stay, and discharge criteria for medical necessity which at a minimum includes the elements as specified in AMPM Policy 320-W. The Contractor shall submit the criteria for prior approval as specified in Attachment F3, Contractor Chart of Deliverables.

Treatment Services: Treatment services are provided by or under the supervision of behavioral health professionals to reduce symptoms and improve or maintain functioning. These services include:

1. Behavioral Health Counseling and Therapy,
2. Assessment, Evaluation and Screening Services, and
3. Other Professional Services.

Breast Reconstruction: Breast reconstruction surgery for the purposes of breast reconstruction post-mastectomy is a covered service for AHCCCS eligible members consistent with AMPM Policy 310-C.

Chiropractic Services: The Contractor shall provide chiropractic services to members under age 21 when prescribed by the member's PCP and approved by the Contractor in order to ameliorate the member's medical condition. For Qualified Medicare Beneficiaries, regardless of age, Medicare approved chiropractic services shall be covered subject to limitations specified in 42 CFR 410.21.

Dental Services: The Contractor shall adhere to the Dental Uniform Prior Authorization List (List) and the Uniform Warranty List as specified in AMPM Policy 431. Requests for changes to the

List must be submitted to AHCCCS as specified in Section F, Attachment F3, Contractor Chart of Deliverables

For members under the age of 21: The Contractor shall provide all members under the age of 21 years with all medically necessary dental services including emergency dental services, dental screening, preventive services, therapeutic services and dental appliances in accordance with the AHCCCS Dental Periodicity Schedule. The Contractor shall monitor compliance with the AHCCCS Dental Periodicity Schedule for dental screening services. The Contractor must develop processes to assign members to a dental home by one year of age and communicate that assignment to the member. The Contractor must regularly notify the oral health professional which members have been assigned to the provider's dental home for routine preventative care as specified in AMPM Chapter 431. The Contractor is required to meet specific utilization rates for members as specified in Section D, Paragraph 22, Quality Management and Performance Improvement. The Contractor shall ensure that members are notified in writing when dental screenings are due, if the member has not been scheduled for a visit. If a dental screening is not received by the member, a second written notice must be sent. Members under the age of 21 may request dental services without referral and may choose a dental provider from the Contractor's provider network.

For members 21 years of age and older: Pursuant to A.A.C. R9-22-207, for members who are 21 years of age and older, the Contractor shall cover medical and surgical services furnished by a dentist only to the extent such services may be performed under State law either by a physician or by a dentist. These services would be considered physician services if furnished by a physician. Limited dental services are covered as specified in AMPM Policy 310-D1. Pursuant to, A.R.S §36-2907(A) as amended by Arizona Senate Bill 1527 (2017), the Contractor shall provide adult members 21 years of age and older with emergency dental services, limited to a \$1000 per member per Contract Year as specified in AMPM Policy 310-D1.

Dialysis: The Contractor shall provide medically necessary dialysis, supplies, diagnostic testing, and medication for all members when provided by Medicare-certified hospitals or Medicare-certified End Stage Renal Disease (ESRD) providers. Services may be provided on an outpatient basis or on an inpatient basis if the hospital admission is not solely to provide chronic dialysis services.

Early and Periodic Screening, Diagnostic and Treatment Services: The Contractor shall provide comprehensive health care services through primary prevention, early intervention, diagnosis and medically necessary treatment to correct or ameliorate defects and physical or mental illnesses discovered by the screenings for members under age 21. Early and Periodic Screening, Diagnostic and Treatment (EPSDT) includes, but is not limited to, coverage of: inpatient and outpatient hospital services, laboratory and x-ray services, physician services, naturopathic services, nurse practitioner services, medications, dental services, therapy services, behavioral health services, medical equipment, medical appliances and medical supplies, orthotics, prosthetic devices, eyeglasses, transportation, and family planning services. EPSDT also includes Diagnostic, Screening, preventive and rehabilitative services. The Contractor shall ensure that these members receive required health screenings and referrals as specified in AMPM Policy 430.

Early Detection Health Risk Assessment, Screening, Treatment and Primary Prevention: The Contractor shall provide health care services through screening, diagnostic and medically necessary treatment for members 21 years of age and older. These services include, but are not limited to, screening and treatment for hypertension, elevated cholesterol, colon cancer, sexually transmitted diseases, tuberculosis, HIV/AIDS, breast and cervical cancer, and prostate cancer. Nutritional assessment and treatment are covered when medically necessary to meet the needs of members who may have a chronic debilitating disease. Physical examinations, diagnostic work-ups, and medically necessary immunizations are also covered in accordance with A.A.C. R9-28-202.

Emergency Services: The Contractor shall provide emergency services per the following [Section 1852(d)(2) of the Social Security Act, 42 CFR 457.1228, 42 CFR 438.114(b), 42 CFR 422.113(c)]:

1. Emergency services facilities adequately staffed by qualified medical professionals to provide pre-hospital, emergency care on a 24-hour-a-day, seven-day-a-week basis, for an emergency medical condition as defined by A.A.C. R9-28 Article 1. Emergency medical (physical and behavioral health) services, including Crisis Intervention Services are covered without prior authorization. The Contractor shall be responsible for educating members and providers regarding appropriate utilization of emergency room services including behavioral health emergencies. The Contractor shall monitor emergency service utilization (by both provider and member) and shall have guidelines for implementing corrective action for inappropriate utilization. For utilization review, the test for appropriateness of the request for emergency services shall be whether a prudent layperson, similarly situated, would have requested such services. For the purposes of this Contract, a prudent layperson is a person who possesses an average knowledge of health and medicine,
2. All medical services necessary to rule out an emergency condition, and
3. Emergency transportation.

Per the Medicaid Managed Care regulations 42 CFR 438.114, 422.113, and 422.133, the following conditions apply with respect to coverage and payment of emergency services:

The Contractor must cover and pay for emergency services regardless of whether the provider that furnishes the service has a Contract with the Contractor. The Contractor may not deny payment for treatment obtained under either of the following circumstances [Section 1932(b)(2) of the Social Security Act, 42 CFR 457.1228, 42 CFR 438.114(c)(1)(i), 42 CFR 438.114(c)(1)(ii)(A) - (B)]:

1. A member had an emergency medical condition, including cases in which the absence of medical attention would not have resulted in the outcomes identified in the definition of emergency medical condition under 42 CFR 438.114, or
2. A representative of the Contractor (an employee or subcontracting provider) instructs the member to seek emergency medical services.

Additionally, the Contractor may not:

1. Limit what constitutes an emergency medical condition as defined in 42 CFR 457.1228 and 42 CFR 438.114, on the basis of lists of diagnoses or symptoms [42 CFR 457.1228, 42 CFR 438.114(d)(1)(i)-(ii)].

2. Refuse to cover emergency services based on the failure of the emergency room provider, hospital, or fiscal agent to notify the Contractor of the member's screening and treatment within 10 calendar days of presentation for emergency services. Claims submission by the hospital within 10 calendar days of the member's presentation for the emergency services constitutes notice to the Contractor. This notification stipulation is only related to the provision of emergency services 42 CFR 438.114(d)(1)(ii), and
3. Require notification of Emergency Department treat and release visits as a condition of payment unless the plan has prior approval from AHCCCS.

A member who has an emergency medical condition may not be held liable for payment of subsequent screening and treatment needed to diagnose the specific condition or stabilize the patient [42 CFR 457.1228, 42 CFR 438.114(d)(2)].

The attending emergency physician, or the provider actually treating the member, is responsible for determining when the member is sufficiently stabilized for transfer or discharge, and such determination is binding on the Contractor responsible for coverage and payment. The Contractor shall comply with Medicaid Managed Care guidelines regarding the coordination of poststabilization care [42 CFR 457.1228, 42 CFR 438.114(d)(3), and 42 CFR 422.113].

For additional information and requirements regarding emergency services, refer to AHCCCS Rules A.A.C. R9-22-201 et seq. and 42 CFR 438.114.

End of Life Care: A concept of care, for the duration of the member's life, that focuses on Advance Care Planning, the relief of stress, pain, or life limiting effects of illness to improve quality of life for a member at any age who is currently or is expected to experience declining health, or is diagnosed with a chronic, complex or terminal illness. Refer to AMPM Policy 310-HH.

Experimental Services: AHCCCS does not cover experimental services (A.A.C. R9-22-203). However, refer to AMPM Policy 320-B for additional requirements and considerations for AHCCCS members who participate in experimental services.

Family Planning: The Contractor shall provide family planning services in accordance with the AHCCCS Medical Policy Manual (AMPM) and consistent with the terms of the Section 1115 Demonstration Waiver, for all members who choose to delay or prevent pregnancy. These include medical, surgical, pharmacological and laboratory services, as well as contraceptive devices. Information and counseling, which allow members to make informed decisions regarding family planning methods, shall also be included [42 CFR 457.1230(d), 42 CFR 438.210(a)(4)(ii)(C)]. If the Contractor does not provide family planning services due to moral and religious objections, it must contract for these services through another health care delivery system, or have an approved alternative in place. The Contractor shall submit a Sterilization Report as specified in AMPM Policy 420 and Section F, Attachment F3, Contractor Chart of Deliverables.

Genetic Testing: Genetic testing and counseling are considered medically necessary when criteria are met as specified in AMPM Policy 310-II.

General and Informed Consent: The Contractor shall adhere to General and Informed Consent requirements as specified in AMPM Policy 320-Q.

Home and Community Based Services: Assisted Living facility, alternative residential setting, or Home and Community Based Services (HCBS) as defined in A.A.C. Title, 9, Chapter 22, Article 2 and A.A.C. Title, 9, Chapter 28, Article 2 that meet the provider standards specified in A.A.C. Title, 9, Chapter 28, Article 5, and subject to the limitations set forth in the AHCCCS Medical Policy Manual. These services are covered in lieu of a nursing facility.

Home Health Services: This service shall be provided under the direction of a physician to prevent hospitalization or institutionalization and may include nursing, therapies, supplies and home health aide services. It shall be provided on a part-time or intermittent basis. Refer to the AMPM for additional requirements for services provided under the home health benefit. The Contractor is prohibited from paying for an item or service (other than an emergency item or service, not including items or services furnished in an emergency room of a hospital) for home health care services provided by an agency or organization, unless AHCCCS Provider Enrollment verifies compliance with the surety bond requirements specified in Sections 1861(o)(7) and 1903(i)(18) of the Social Security Act. Refer to AMPM Policy 310-I.

Hospice Services: Hospice services provide palliative and support care for terminally ill members and their family members or caregivers in order to ease the physical, emotional, spiritual, and social stresses, which are experienced during the final stages of illness and during dying and bereavement. These services are covered for members who are certified by a physician as being terminally ill and having six months or less to live. Refer to AMPM Policy 310-J for details on covered services.

Hospital: The Contractor shall provide hospital services as specified in Contract and policy. Inpatient services include semi-private accommodations for routine care, intensive and coronary care, surgical care, obstetrics and newborn nurseries, and behavioral health emergency/crisis services. If the member's medical condition requires isolation, private inpatient accommodations are covered. Nursing services, dietary services and ancillary services such as laboratory, radiology, pharmaceuticals, medical supplies, blood and blood derivatives, etc. are also covered. Refer to AMPM Policy 310-K. For requirements regarding member transfers between facilities, Refer to AMPM Policy 530. Outpatient hospital services include any of the above services which may be appropriately provided on an outpatient or ambulatory basis such as laboratory, radiology, therapies, and ambulatory surgery. Observation services may be provided on an outpatient basis, if determined reasonable and necessary to decide whether the member should be admitted for inpatient care. Observation services include the use of a bed and periodic monitoring by hospital nursing staff and other staff to evaluate, stabilize, or treat medical conditions of a significant degree of instability and disability. Refer to the AMPM for limitations on hospital stays. Refer to AMPM Policy 310-S.

Hysterectomy: AHCCCS covers medically necessary hysterectomy services as authorized by federal regulations 42 CFR 441.250 et seq. Refer to AMPM Policy 310-L.

Immunizations: The Contractor shall provide medically necessary immunizations for adults age 21 years and older. The Contractor is required to meet specific immunization rates for members under the age of 21, which are specified in Section D, Paragraph 22, Quality Management and Performance Improvement. See also AMPM Policy 310-M and AMPM Policy 430.

Incontinence Briefs: In general, incontinence briefs (diapers) are not covered for members unless medically necessary to treat a medical condition. However, for AHCCCS members over three years of age and under 21 years of age incontinence briefs, including pull-ups and incontinence pads, are also covered to prevent skin breakdown and to enable participation in social community, therapeutic, and educational activities under limited circumstances. For members in the ALTCS Program who are 21 years of age and older, incontinence briefs, including pull-ups and incontinence pads are also covered in order to prevent skin breakdown as specified in AMPM Policy 310-P. See A.A.C. R9-22-212 and AMPM Chapters 300 and 400.

Laboratory Services: Laboratory services for diagnostic, screening and monitoring purposes are covered when ordered by the member's PCP, other attending physician or dentist, and provided by a CLIA (Clinical Laboratory Improvement Act) approved free-standing laboratory or hospital laboratory, clinic, physician office or other health care facility laboratory. Refer to AMPM Policy 310-N.

Upon written request, the Contractor may obtain laboratory test data on members from a laboratory or hospital-based laboratory subject to the requirements specified in A.R.S. §36-2903(Q) and (R). The data shall be used exclusively for quality improvement activities and health care outcome studies required and approved by AHCCCS.

The Contractor shall use laboratory testing sites that have either a Clinical Laboratory Improvement Amendments (CLIA) Certificate of Waiver or a Certificate of Registration along with a CLIA identification number. Verify that laboratories satisfy all requirements in [42 CFR 493, Subpart A, General Provisions]. The Contractor shall cover laboratory services for diagnostic, screening and monitoring purposes when ordered by the member's PCP, other attending physician or dentist, and provided by a CLIA approved free-standing laboratory or hospital laboratory, clinic, physician office or other health care facility laboratory. The Contractor shall require all clinical laboratories to provide verification of CLIA Licensure or Certificate of Waiver during the provider enrollment process. Failure to do so shall result in AHCCCS either terminating an active provider ID number or denial of initial registration.

The Contractor shall apply the following requirements to all clinical laboratories:

1. Pass-through billing or other similar activities with the intent to avoid the requirements in Sections above is prohibited,
2. Clinical laboratory providers who do not comply with the requirements in Sections above, may not be reimbursed,
3. Laboratories with a Certificate of Waiver are limited to providing only the types of tests permitted under the terms of their waiver, and
4. Laboratories with a Certificate of Registration are allowed to perform a full range of laboratory tests.

The Contractor shall manage and oversee the administration of laboratory services through subcontracts with qualified services providers to deliver laboratory services, obtain laboratory test data on Title XIX/XXI eligible members from a laboratory or hospital based laboratory subject to the requirements in A.R.S. §36-2903(Q) (1-6) and (R), upon written request, and use the data in Section D, Paragraph 9, Laboratory Services, exclusively for quality improvement activities and health care outcome studies required and approved by AHCCCS.

Lung Volume Reduction Surgery: Lung Volume Reduction Surgery (LVRS), or reduction pneumoplasty, is covered for persons with severe emphysema when performed at a facility approved by Medicare to perform this surgery and in accordance with all of the established Medicare guidelines and in accordance with AMPM Policy 320-G.

Maternity Services: The Contractor shall provide pregnancy identification, prenatal care, treatment of pregnancy related conditions, labor and delivery services, and postpartum care for members. Services may be provided by physicians, physician assistants, nurse practitioners, certified nurse midwives, or licensed midwives. Members may select or be assigned to a PCP specializing in obstetrics while they are pregnant. Members anticipated to have a low-risk delivery, may elect to receive labor and delivery services in their home from their maternity provider, if this setting is included in the allowable settings for the Contractor, and the Contractor has providers in its network that offer home labor and delivery services. Members receiving maternity services from a certified nurse midwife or a licensed midwife must also be assigned to a PCP for other health care and medical services. A certified nurse midwife may provide those primary care services that they are willing to provide and that the member elects to receive from the certified nurse midwife. Members receiving care from a certified nurse midwife may also elect to receive some or all her primary care from the assigned PCP. Licensed midwives may not provide any additional medical services as primary care is not within their scope of practice. Members who transition to a new Contractor or become enrolled during their third trimester must be allowed to complete maternity care with their current AHCCCS registered provider, regardless of contractual status, to ensure continuity of care. Refer to AMPM Policy 410.

For stillbirths meeting the medical criteria specified in AMPM Policy 410, the Contractor shall submit maternal and newborn delivery record as specified in Section F, Attachment F3, Contractor Chart of Deliverables.

The Contractor shall allow women and their newborns to receive no less than 48 hours of inpatient hospital care after a routine vaginal delivery and no less than 96 hours of inpatient care after a cesarean delivery. The attending health care provider, in consultation with, and agreement by, the mother, may discharge the mother or newborn prior to the minimum length of stay. A normal newborn may be granted an extended stay in the hospital of birth when the mother's continued stay in the hospital is beyond the minimum 48 or 96 hour stay, whichever is applicable.

The Contractor shall inform all assigned AHCCCS pregnant women of voluntary prenatal HIV/AIDS testing and the availability of medical counseling, if the test is positive. The Contractor shall provide information in the Member Handbook and annually in the member newsletter, to encourage pregnant women to be tested and instructions about where to be tested. The Contractor shall report to AHCCCS the number of pregnant women who have been newly diagnosed as HIV/AIDS-positive for each quarter during the Contract Year as specified in Section F, Attachment F3, Contractor Chart of Deliverables and AMPM Policy 410.

Medical Equipment, Medical Supplies, , and Prosthetic Devices: Medical equipment including appliances and medical supplies are covered under the home health benefit. Medical equipment, including appliances, medical supplies, , and prosthetic devices are covered when prescribed by the member's PCP, attending physician or practitioner, or by a dentist as specified in the AMPM. Prosthetic devices must be medically necessary and meet criteria as specified in

AMPM Policy 310-JJ. For persons age 21 or older, AHCCCS will not pay for microprocessor controlled lower limbs and microprocessor controlled joints for lower limbs. Medical equipment may be rented or purchased only if other sources are not available to provide the items at no cost. The total cost of the rental must not exceed the purchase price of the item. Reasonable repairs or adjustments of purchased equipment are covered to make the equipment serviceable and/or when the repair cost is less than renting or purchasing another unit. Refer to AMPM Policy 310-JJ and AMPM Policy 310-P.

The Contractor shall ensure the provider network includes a choice of subcontractors for customized medical equipment and corrective appliances for members with special healthcare needs. The Contractor shall include, in the contract with the subcontractor, timeliness standards for creation, repair, and delivery of customized medical equipment and appliances. The Contractor shall monitor the standards and take action when the subcontractor is found to be out of compliance.

Medical Marijuana: AHCCCS does not cover medical marijuana as a medical or pharmacy benefit. Refer to AMPM Policy 320-M.

Members Transitioning from Home Opioid Treatment Program to another Receiving Opioid Treatment Program and Requiring Guest Dosing: Guest dosing is consistent with Substance Abuse and Mental Health Services Administration's (SAMHSA's) guidance regarding medication safety and recovery support. An individual may be administered sufficient daily dosing from an Opioid Treatment Program (OTP) center other than his/her Home OTP Center when he/she is unable to travel to the Home OTP Center or when traveling outside of the home OTP center's area, for business, pleasure, or emergency.

The member may receive guest dosing from another OTP center (Guest OTP Center) within their GSA, or outside their GSA. Guest dosing may also be approved outside the State of Arizona when the member's health would be endangered if travel were required back to the state of residence [42 CFR 431.52].

A member may qualify for guest dosing when:

1. The member is receiving administration of Medication Assisted Treatment (MAT) services from SAMHSA-Certified Opioid Treatment Program (OTP),
2. The member needs to travel outside their Home OTP Center area,
3. The member is not eligible for take home medication, and
4. The Home OTP center (Sending OTP Center) and Guest OTP Center have agreed to transition the member to the Guest OTP center for a scheduled period of time.

The Contractor shall have policies and processes in place for providers that include at a minimum the following:

1. Title XIX/XXI members shall not be charged for guest dosing except as permitted by A.A.C. R9-22-702 *Charges to Members* and A.A.C. R9-22-711 *Copayments*,
2. Non-Title XIX/XXI eligible members shall not be charged copayments for guest dosing,
3. The **Sending OTP Center** shall:
 - a. Forward information to the Receiving OTP Center prior to the member's arrival, Information shall include at a minimum:
 - i. A valid release of information signed by the patient,
 - ii. Current medications,

- iii. Date and amount of last dose administered or dispensed,
 - iv. Physician order for guest dosing, including first and last dates of guest dosing,
 - v. Description of clinical stability including recent alcohol or illicitly drug abuse,
 - vi. Any other pertinent information,
- b. Provide a copy of the information to the member in a sealed, signed envelope for the member to present to the Receiving OTP Center,
 - c. Submit notification to the Contractor of enrollment, or for FFS members..., of the guest dosing arrangement, and
 - d. Accept the member upon return from the Receiving OTP Center unless other arrangements have been made.
4. The **Guest OTP Center** shall:
- a. Respond to the Sending OTP Center in a timely fashion, verifying receipt of information and acceptance of the member for guest medication as quickly as possible,
 - b. Provide the same dosage that the patient is receiving at the member's Sending OTP Center, and change only after consultation with Sending OTP Center,
 - c. Bill the member's Contractor of enrollment for reimbursement utilizing the appropriate coding and modifier,
 - d. Provide address of Guest OTP Center and dispensing hours,
 - e. Determine appropriateness for dosing prior to administering a dose to the member. The Guest OTP Center has the right to deny medication to a patient if he/she presents inebriated or under the influence, acting in a bizarre manner, threatening violence, loitering, or inappropriately interacting with patients,
 - f. Communicate any concerns about a guest-dosing the member to the Sending OTP Center including termination of guest-dosing if indicated, and
 - g. Communicate last dose date and amount back to the Sending OTP Center.

The Contractor of enrollment is responsible for reimbursement of services provided by the Guest OTP Center under a guest dosing arrangement.

AHCCCS reserves the right to request reporting of information regarding guest dosing arrangements.

Metabolic Medical Foods: Medical foods are covered within limitations defined in the AMPM for members diagnosed with a metabolic condition included under the ADHS Newborn Screen Program and specified in the AMPM. The medical foods, including metabolic formula and modified low protein foods, must be prescribed or ordered under the supervision of a physician. Refer to AMPM Policy 310-GG.

Nursing Facility Services: The Contractor shall provide services in nursing facilities, including religious non-medical health care institutions for members who require short-term convalescent care not to exceed 90 days per Contract Year. In lieu of a nursing facility, the member may be placed in an assisted living facility, an alternative residential setting, or receive home and community based services (HCBS) as defined in A.A.C. R9-22 Article 2 and A.A.C. R9-28 Article 2 that meet the provider standards specified in A.A.C. R9-28 Article 5, and subject to the limitations set forth in the AMPM. Refer to AMPM Policy 310-R.

Nursing facility services must be provided in a dually-certified Medicare/Medicaid nursing facility, which includes in the per-diem rate: nursing services, basic patient care equipment and sickroom supplies, dietary services, administrative physician visits, non-customized DME,

necessary maintenance and rehabilitation therapies, over-the-counter medications, social, recreational and spiritual activities, and administrative, operational medical direction services. See Section D, Paragraph 40, Responsibility for Nursing Facility Reimbursement for further details.

Nutritional Assessments and Nutritional Therapy: Nutritional assessments are conducted as a part of the EPSDT screenings for members under age 21 and to assist members 21 years of age and older whose health status may improve with over and under nutritional intervention. Assessment of nutritional status on a periodic basis may be provided as determined necessary, and as a part of the health risk assessment and screening services provided by the member's PCP. Assessments may also be provided by a registered dietitian when ordered by the member's PCP. AHCCCS covers nutritional therapy on an enteral, parenteral, or oral basis, when determined medically necessary, according to the criteria specified in the AMPM to provide either complete daily dietary requirements or to supplement a member's daily nutritional and caloric intake. Refer to AMPM Policy 310-GG.

Occupational Therapy is covered for all members in both inpatient and outpatient settings. Refer to AMPM Policy 310-X. Outpatient occupational therapy for acute care members 21 years of age or older are subject to visit limits per Contract Year as specified in the AMPM.

Organ and Tissue Transplants, and Related Immunosuppressant Drugs: The Contractor shall provide services covered subject to the limitations in the AHCCCS Medical Policy Manual for members diagnosed with specified medical conditions. Services include: pre-transplant inpatient or outpatient evaluation, donor search, organ/tissue harvesting or procurement, preparation and transplantation services, and convalescent care. AHCCCS maintains specialty contracts with transplantation facility providers for the Contractor's use or the Contractor may select its own transplantation provider. Refer to AMPM Policy 310-DD.

Orthotics: Orthotics are covered for AHCCCS members under the age of 21 as specified in AMPM Policy 430. Orthotics are covered for AHCCCS members 21 years of age and older if all of the following apply, Refer to AMPM Policy 310-JJ:

1. The use of the orthotic is medically necessary as the preferred treatment option and consistent with Medicare guidelines,
2. The orthotic is less expensive than all other treatment options or surgical procedures to treat the same diagnosed condition, and
3. The orthotic is ordered by a physician or primary care practitioner.

Medical equipment may be rented or purchased only if other sources, which provide the items at no cost, are not available. The total cost of the rental must not exceed the purchase price of the item. Reasonable repairs or adjustments of purchased equipment are covered for all members to make the equipment serviceable and/or when the repair cost is less than renting or purchasing another unit. The component will be replaced if at the time authorization is sought documentation is provided to establish that the component is not operating effectively.

Primary Care Provider Medication Management Services: In addition to treating physical health conditions, the Contractor shall allow Primary Care Provider (PCPs) to treat behavioral health conditions within their scope of practice. For purposes of medication management, it is not required that the PCP be the member's assigned PCP. PCPs who treat members with behavioral

health conditions may provide medication management services including prescriptions, laboratory and other diagnostic tests necessary for diagnosis, and treatment. For the antipsychotic class of medications, prior authorization may be required. For PCPs prescribing medications to treat Substance Use Disorders (SUDs), the PCP must refer the member to a behavioral health provider for the psychological and/or behavioral therapy component of the Medication Assisted Treatment (MAT) model and coordinate care with the behavioral health provider. The Contractor is responsible for these services both in the prospective and prior period coverage timeframes.

Pharmaceutical Rebates: The Contractor, including the Contractor's Pharmacy Benefit Manager (PBM), is prohibited from collecting and negotiating any rebates with drug manufacturers for preferred or other pharmaceutical products when AHCCCS has a supplemental rebate contract for the product(s). A listing of products covered under supplemental rebate agreements will be available on the AHCCCS website under the Pharmacy Information section. The "preferred" products shall be available on the Contractors' Drug Lists exactly as they are listed on the AHCCCS Drug List(s). The Contractor shall comply with AMPM Policy 310-V.

If the Contractor or its PBM has an existing rebate agreement with a manufacturer, all outpatient drug claims, including provider-administered drugs for which AHCCCS is obtaining supplemental rebates, must be excluded from such rebate agreements. For pharmacy related encounter data information see Section D, Paragraph 61, Encounter Data Reporting.

Pharmacy & Therapeutics Committee: Pursuant to Executive Order 2108-06 requiring Transparency and Eliminating Undue Influence by Pharmaceutical and Medical Device Companies; AHCCCS has developed and implemented a formal Pharmacy & Therapeutics (P&T) Committee as an advisory Committee to AHCCCS. The P&T Committee is responsible for evaluating scientific evidence of the relative safety, efficacy, effectiveness, and clinical appropriateness of prescription drugs. The P&T Committee makes recommendations to AHCCCS on the development and maintenance of a statewide drug list and prior authorization criteria as appropriate. Committee members shall not participate in matters in which they have a potential conflict of interest and they shall evaluate information regarding individual drugs and therapeutic classes of drugs in an impartial manner emphasizing the best clinical evidence and cost effectiveness. Refer to ACOM Policy 111.

Physician Services: The Contractor shall provide physician services to include medical assessment, treatments, and surgical services provided by licensed allopathic or osteopathic physicians within the scope of practice.

Physical Therapy is covered for all members in both inpatient and outpatient settings. Outpatient physical therapy for members 21 years of age or older is subject to a 15 visit limit per Contract Year as specified in the AHCCCS Medical Policy Manual.

Poststabilization Care Services: Pursuant to A.A.C. R9-22-202, 42 CFR 457.1228, 42 CFR 438.114(e), 42 CFR 422.113(c)(i)-(iv), 42 CFR 422.133, and 42 CFR 422.113(c)(2)(iii)(A)-(C) the following conditions apply with respect to coverage and payment of emergency and of poststabilization care services, except where otherwise noted in the Contract.

The Contractor must cover and pay for poststabilization care services without authorization, regardless of whether the provider that furnishes the service has a Contract with the Contractor, for the following situations:

1. Poststabilization care services were pre-approved by the Contractor,
2. Poststabilization care services that were not pre-approved by the Contractor because the Contractor did not respond to the treating provider's request for pre-approval within one hour after the treating provider's request or could not be contacted for pre-approval.
3. The Contractor representative and the treating physician cannot reach agreement concerning the member's care and a Contractor physician is not available for consultation. In this situation, the Contractor must give the treating physician the opportunity to consult with a Contractor physician and the treating physician may continue with care of the patient until a Contractor physician is reached or one of the criteria in [42 CFR 422.113(c)(3)] is met.

Pursuant to 42 CFR 422.113(c)(3), the Contractor's financial responsibility for poststabilization care services that have not been pre-approved ends when:

1. A Contractor physician with privileges at the treating hospital assumes responsibility for the member's care,
2. A Contractor physician assumes responsibility for the member's care through transfer,
3. A Contractor representative and the treating physician reach an agreement concerning the member's care, or
4. The member is discharged.

Pre-Admission Screening and Resident Review Requirements (42 CFR Part 483, Subpart C): The Contractor shall ensure that, prior to admission of a member to a nursing facility, the nursing facility has performed a PASRR Level I screening and, when indicated, that the appropriate entity has performed a PASRR Level II evaluation as specified in the AMPM Policy 680-C. When the result of the PASRR Level I screening indicates that the member has an intellectual disability, DES conducts the Level II evaluation. When the result of the PASRR Level I screening indicates that the member has a mental illness, the RBHA conducts the Level II evaluation. The purpose of the PASRR Level II evaluation is to determine whether a member who has a mental illness or an intellectual disability needs the level of care provided in a nursing facility and/or needs specialized services. When the PASRR Level II evaluation determines that the member needs a different level of care than can be provided in a nursing facility, the Contractor shall arrange for the provision of other covered services appropriate to the member's needs. When the PASRR Level II evaluation determines that the member needs specialized services while in the nursing facility, the Contractor shall arrange for the provision of covered specialized services appropriate to the member's needs. Failure to have the proper PASRR screening prior to placement of members in a nursing facility may result in Federal Financial Participation (FFP) being withheld from AHCCCS. Should withholding of FFP occur, AHCCCS will recoup the withheld amount from a Contractor's subsequent capitation payment. The Contractor may, at its option, recoup the withholding from the nursing facility, which admitted the member without the proper PASRR.

In addition, the Contractor shall act as the independent entity that performs mental illness evaluations under 42 CFR 483.106(e). When the result of the PASRR Level I screening indicates that any resident within the Contractor's GSA has a mental illness or is suspected of having a

mental illness, the Contractor shall conduct a PASRR Level II evaluation regardless of the individual's eligibility for AHCCCS. The Contractor shall also conduct a PASRR Level II evaluation of each resident in a nursing facility who has a mental illness (regardless of AHCCCS eligibility) to determine if the individual requires: the level of services provided by a nursing facility; an inpatient psychiatric hospital for individuals under age 21, or an institution for mental diseases providing medical assistance to individuals age 65 or older; and specialized services for mental illness.

The Contractor shall ensure a licensed physician who is Board-certified or Board-eligible in psychiatry, or a Psychiatric Nurse Practitioner, conducts the PASRR Level II evaluation of mental illness in conformance with 42 CFR Part 483, Subpart C and AMPM Policy 680-C. Evaluations may be performed via Telehealth. The Contractor shall submit the Level II PASRR Packet, including Invoice to AHCCCS/DHCM, Medical Management as specified in Section F, Attachment F3, Contractor Chart of Deliverables.

The Contract will be reimbursed for PASRR Level II evaluations at \$300 per evaluation or per review basis as set forth in AMPM Policy 680, Attachment C.

The Contractor shall notify the Assistant Director of AHCCCS/DMPS, by Email, when a member has been residing in a nursing facility, alternative residential facility or receiving home and community based services for 45 days. This will allow AHCCCS time to follow-up on the status of the ALTCS application and to consider potential Fee-For-Service coverage, if the stay goes beyond the 90 day per Contract Year maximum. The notice shall be sent via e-mail to: HealthPlan45DayNotice@azahcccs.gov and must include the following:

1. Member name,
2. AHCCCS ID,
3. Date of birth,
4. Name of facility,
5. Admission date to the facility,
6. Date the member will reach the 90 days, and
7. Name of Contractor of enrollment.

Pregnancy Termination: AHCCCS covers pregnancy termination if the pregnant member suffers from a physical disorder, physical injury, or physical illness, including a life endangering physical condition caused by or arising from the pregnancy itself, that would, as certified by a physician, place the member in danger of death unless the pregnancy is terminated, or the pregnancy is a result of rape or incest [42 CFR 441.202, Consolidated Appropriations Act of 2008].

The attending physician must acknowledge that a pregnancy termination has been determined medically necessary by submitting the Certificate of Necessity for Pregnancy Termination. This certificate must be submitted to the Contractor's Medical Director and meet the requirements specified in the AMPM and as specified in Section F, Attachment F3, Contractor Chart of Deliverables. The Certificate must certify that, in the physician's professional judgment, the criteria have been met. Refer to AMPM Policy 410.

Prescription Medications: Medications, prescribed by a PCP, attending physician, dentist, or AHCCCS authorized clinician and dispensed by an AHCCCS registered Pharmacy are covered subject to the requirements of AMPM Policy 310-V.

The Contractor's Drug Lists and prior authorization processes shall comply with AMPM Policy 310-V and AMPM Policy 1020. An Over-the-Counter medication may be prescribed as defined in AMPM Policy 310-V when it is equally effective and less costly than the same or similar prescription medication.

The Contractor shall make available the Contractor's website and in electronic or hard copy form, the following drug list information [42 CFR 457.1207, 42 CFR 438.10(i)(3)]:

1. The Contractor's drug list(s) of medications shall include both the reference brand and generic names of each drug,
2. Each drug that requires prior authorization approval shall be notated on the drug list,
3. The Contractor's Drug List shall reflect all AHCCCS approved AHCCCS P&T Committee recommendations as follows:
 - a. October P&T Committee approved changes shall be effective on January 1,
 - b. January P&T Committee approved changes shall be effective on April 1,
 - c. May P&T Committee approved changes shall be effective on October 1, and
 - d. Other changes as requested by AHCCCS and specified by date.
4. The process for obtaining Federal and state reimbursable medications that are not included on the drug list,
5. The prior authorization form with directions for non-urgent and urgent requests, and
6. The prior authorization criteria for drugs evaluated for coverage under the Contractor's prior authorization program.

The Contractor's drug lists shall be made available on the Contractor's website in a machine-readable file and format as specified by the Secretary [42 CFR 457.1207, 42 CFR 438.10(i)(1)-(3)]. Refer to ACOM Policy 404.

The Contractor, its contracted Pharmacy Benefit Manager (PBM), and the PBM's Pharmacy Network shall comply with the following:

1. Pharmacies shall not charge patients, under the AHCCCS program, the cash price for a prescription, other than an applicable copayment, when the medication is federally and state reimbursable and the prescription is ordered by an AHCCCS Registered Prescribing Clinician.
2. Pharmacies shall not split bill the cost of a prescription claim to the Contractor's PBM for a patient under the AHCCCS Program. The Contractor's PBM's Pharmacy Network shall not allow a patient under the AHCCCS Program to pay cash for a partial prescription quantity for a federally and state reimbursable medication when the ordered drug is written by an AHCCCS Registered Prescribing Clinician.
3. Pharmacies are prohibited from auto-filling prescription medications.
4. Pharmacies shall not submit prescription claims to the contracted PBM for claims adjudication requesting reimbursement in excess of the Usual & Customary (U&C) price charged to the general public.

- a. The sum of charges for the submitted ingredient cost plus the dispensing fee shall not exceed a pharmacy's U&C Price for the same prescription, and
 - b. The U&C submitted ingredient cost shall be the lowest amount accepted from any member of the general public who participates in the pharmacy provider's savings or discount programs including programs that require the member to enroll or pay a fee to join the program.
5. Pharmacies that purchase drugs at a Nominal Price outside of 340B or the Federal Supply Schedule shall bill their Actual Acquisition Cost of the drug to AHCCCS and the Contractor's PBM.
 6. PBM Network Pharmacies, at the discretion of the pharmacy, may deliver or mail prescription medications to an AHCCCS member or to an AHCCCS registered provider's office for a specific AHCCCS member.

The Contractor's PBM shall communicate the above to the Contractor's Pharmacy Network.

The Contractor shall provide generic and branded reimbursement guarantees, an aggressive Maximum Allowable Cost (MAC) pricing program, generic dispensing rate guarantee, and utilization methodologies to dispense the least costly, clinically appropriate medication and report the rebates in conformance with requirements in the AHCCCS Financial Reporting Guide.

Medicare Part D: The Medicare Modernization Act of 2003 (MMA) created the Medicare Part D prescription drug benefit for individuals enrolled in Medicare Part A and Medicare Part B coverages. Medicare Part D drug benefit plans cover offered prescription drugs as approved by the Centers for Medicare and Medicaid Services (CMS). For full benefit dual eligible members, AHCCCS covers only those clinically necessary, federally reimbursable prescription drugs that are not covered by their Medicare Part D benefit plan – as ordered by a PCP, attending physician, dentist or other authorized prescribing clinician and dispensed by or under the direction of a licensed pharmacist, in accordance with Arizona State Board of Pharmacy Rules and Regulations, subject to prescription supply amounts limitations, and a Contractor's prior authorization requirements. Prescription drugs that are covered by a full benefit dual eligible member's Medicare Part D drug benefit plan, but not specifically listed in its formulary, are considered to be covered by the Medicare Part D drug benefit plan, and are not covered by AHCCCS. Refer to AMPM Policy 310-V. Additional detail for coverage of Medicare Part D prescription medications is contained in Section D, Paragraph 56, Medicare Services and Cost Sharing and Medicare Part D.

340B Drug Pricing Program: All Federally reimbursable drugs identified in the 340B Drug Pricing Program are required to be billed and reimbursed as noted in the table below. The Contractor is required to comply with any changes to reimbursement methodology for 340B entities. See A.R.S. §36-2930.03 and A.A.C. R9-22-710 (C) for further details.

The Contractor is required to reimburse 340B entities and their employed or contracted prescribing clinicians in accordance with the payment methodology below:

1. Drugs dispensed by the 340B entity pharmacy shall be reimbursed at the lesser of the actual acquisition cost or the 340B ceiling price, plus a professional (dispensing) fee, and

2. Physician administered drugs shall be reimbursed at the lesser of the actual acquisition cost or the 340B ceiling price.
 - a. No professional (dispensing) fee is required; a fee payable to the physician for a covered administration procedure is permitted

340B entity hospitals, and outpatient facilities owned and operated by a 340B entity hospital, are exempt from this payment methodology.

The Contractor is required to comply with any changes to reimbursement methodology for 340B entities.

Direct Acting Antiviral Medication Treatment: For AHCCCS prior authorization requirements for Title XIX and XXI members 12 years and older for coverage of direct acting antiviral medications for treatment of Hepatitis C Virus (HCV), Refer to AMPM Policy 320-N.

Primary Care Provider Services: Primary Care Provider (PCP) services are covered when provided by a physician, physician assistant or nurse practitioner selected by, or assigned to, the member. The PCP provides primary health care and serves as a coordinator in referring the member for specialty medical services [42 CFR 457.123(c), 42 CFR 438.208(b)(1)]. The PCP is responsible for maintaining the member's primary medical record, which contains documentation of all health risk assessments and health care services of which they are aware whether or not they were provided by the PCP.

Except for annual well woman exams, behavioral health and children's dental services, and consistent with the terms of the Section 1115 Demonstration Waiver, covered services must be provided by or coordinated with a Primary Care Provider.

Program to Monitor Antipsychotic Medications Prescribed for Children: The Contractor shall monitor and manage the appropriate use of antipsychotic medications prescribed for children. The Contractor shall adhere to the prior authorization requirements as specified in AMPM Policy 310-V, including the submission of ad hoc requests as requested by AHCCCS.

Radiology and Medical Imaging: These services are covered when ordered by the member's PCP, attending physician or dentist for diagnosis, prevention, treatment or assessment of a medical condition.

Rehabilitation Therapy: The Contractor shall provide occupational, physical and speech therapies prescribed by the member's PCP or attending physician for an acute condition and the member must have the potential for improvement due to the rehabilitation. Therapies provided under the home health benefit shall adhere to the requirements specified in AMPM Policy 310-X.

Respiratory Therapy is covered when prescribed by the member's PCP or attending physician, and is necessary to restore, maintain, or improve respiratory functioning.

Speech Therapy is covered for all members receiving inpatient hospital (or nursing facility services). Speech therapy services provided on an outpatient basis are only covered for members under the age of 21.

Substance Abuse Transitional Facility: A class of health care institution that provides behavioral health services to an individual over 18 years of age who is intoxicated or may have a substance abuse problem (A.A.C. R9-10-101).

Transplant Services and Immunosuppressant Medications: AHCCCS covers medically necessary transplant services and related immunosuppressant medications in accordance with Federal and State law and regulations. The Contractor shall not make payments for organ transplants not provided for in the State Plan except as otherwise required pursuant to 42 USC 1396d(r)(5) for persons receiving services under EPSDT. The Contractor must follow the written standards that provide for similarly situated individuals to be treated alike and for any restriction on facilities or practitioners to be consistent with the accessibility of high quality care to members per Sections (1903(i) and 1903(i)(1)) of the Social Security Act. Refer to the AMPM Policy 310-DD and the AHCCCS Reinsurance Policy Manual.

Transportation: These services include emergency and non-emergency medically necessary transportation. Emergency transportation, including transportation initiated by an emergency response system such as 911, may be provided by ground, air or water ambulance to manage an AHCCCS member's emergency medical condition at an emergency scene and transport the member to the nearest appropriate medical facility. Non-emergency transportation shall be provided for members who are unable to provide or secure their own transportation for medically necessary services using the appropriate mode based on the needs of the member. Refer to AMPM Policy 310-BB. The Contractor shall ensure that members have coordinated, reliable, medically necessary transportation to ensure members arrive on-time for regularly scheduled appointments and are picked up upon completion of the entire scheduled treatment. For information regarding Contractor reimbursement of ground ambulance and emergency care transportation when a contract does not exist between the Contractor and the transportation provider, refer to ACOM Policy 205.

Treat and Refer Services: Interaction with an individual who has accessed 911 or a similar public emergency dispatch number, but whose illness or injury does not require ambulance transport to an emergency department based on the clinical information available at that time. The interaction must include:

1. Documentation of an appropriate clinical and/or social evaluation,
2. A treatment/referral plan for accessing social, behavioral, and/or healthcare services that address the patient's immediate needs,
3. Evidence of efforts to follow-up with the patient to ascertain adherence with the treatment plan,
4. Documentation of efforts to assess customer satisfaction with the treat and refer visit, and
5. Treat and Refer standing orders shall be consistent with medical necessity and consider patient reference when the clinical condition allows.

Triage/Screening and Evaluation of Emergency Medical Conditions: These are covered services when provided by an acute care hospital, an IHS or 638 tribal facility, and urgent care centers to determine whether or not an emergency exists, assess the severity of the member's medical

condition and determine and provide services necessary to alleviate or stabilize the emergent condition. Triage/screening services must be reasonable, cost effective and meet the criteria for severity of illness and intensity of service.

Vision Services/Ophthalmology/Optomety: The Contractor shall provide emergency eye care, and all medically necessary vision examinations, prescriptive lenses, frames, and treatments for conditions of the eye for all members under the age of 21. For members who are 21 years of age and older, the Contractor shall provide emergency care for eye conditions which meet the definition of an emergency medical condition. In addition cataract removal, and medically necessary vision examinations, prescriptive lenses and frames are covered if required following cataract removal.

Members shall have full freedom to choose, within the Contractor's network, a practitioner in the field of eye care, acting within the scope of their practice, to provide the examination, care or treatment for which the member is eligible. A "practitioner in the field of eye care" is defined to be either an ophthalmologist or an optometrist.

Well Preventative Care: Well visits, such as, but not limited to, well woman exams, breast exams, and prostate exams are covered for members 21 years of age and older; refer to AMPM Policy 411. For members under 21 years of age, AHCCCS continues to cover medically necessary services under the EPSDT Program; refer to AMPM Policy 430.

10. SPECIAL HEALTH CARE NEEDS

AHCCCS has specified in its Quality Assessment and Performance Improvement Strategy certain populations with special health care needs and the mechanisms used to identify persons with special health care needs as defined by the State [42 CFR 457.1230(c), 42 CFR 438.208(c)(1)].

Members with special health care needs are those members who have serious and chronic physical, developmental, and/or behavioral conditions requiring medically necessary services of a type or amount beyond that required by members generally, that lasts or is expected to last one year or longer, and may require ongoing care not generally provided by a primary care provider. The following populations meet this definition including, but not limited to:

1. Members with qualifying Children's Rehabilitative Services (CRS) conditions,
2. Members diagnosed with HIV/AIDS,
3. Members diagnosed with opioid use disorder, separately tracking pregnant members and members with co-occurring pain and opioid use disorder,
4. Members who are being considered for or are actively engaged in a transplant process and for up to one year post transplant.
5. Arizona Long Term Care System:
 - a. Members enrolled in the ALTCS program who are elderly and/or have a physical disability, and
 - b. Members enrolled in the ALTCS program who have a developmental disability.
6. Members who are engaged in care or services through the Arizona Early Intervention Program (AzEIP),
7. Members who are enrolled in the Comprehensive Medical and Dental Program (CMDP),
8. Members who transition out of the Comprehensive Medical and Dental Program (CMDP) up to one year post transition,

9. Members determined to have a Serious Mental Illness (SMI),
10. Any child that has a CALOCUS level of 4+,
11. Members determined to have a Seriously Emotionally Disturbed (SED) diagnosis flag in the system,
12. Substance exposed newborns and infants diagnosed with neonatal abstinence syndrome (NAS),
13. Members diagnosed with Severe Combined Immunodeficiency (SCID), and
14. Members with a diagnosis of autism or at risk for autism.

Many children with Special Health Care Needs, including children with CRS-qualifying medical conditions typically require complex care and are medically fragile. For these children, health care service delivery involves multiple clinicians, covering the entire continuum of care. In addition to a primary care provider, these children may receive services from subspecialists who manage care related to their condition(s) and coordinate with other specialty services including but not limited to behavioral health, pharmacy, medical equipment and appliances, therapies, diagnostic services, and telemedicine visits. Comprehensive care includes a multi-disciplinary team made up of subspecialists and caregivers such as pulmonologists, cardiologists, nutritionists, psychologists, and therapists. Because of the complexity of the needs of these children requiring multiple surgeries, hospitalization, and clinical care it is imperative that there be integrated health information and care coordination for the member. Services shall be provided using an integrated family-centered, culturally competent, multi-specialty, interdisciplinary approach that includes the following elements:

1. A process for using a centralized, integrated medical record that is accessible to the Contractor and service providers consistent with Federal and State privacy laws to facilitate well-coordinated, interdisciplinary care,
2. A process for developing and implementing a Service Plan accessible to the Contractor and service providers that is consistent with Federal and State privacy laws that contains the clinical, medical, and administrative information necessary to monitor coordinated treatment plan implementation, and
3. Collaboration with individuals, groups, providers, organizations and agencies charged with the administration, support, or delivery of services for persons with special health care needs.

AHCCCS monitors quality and appropriateness of care/services for routine and special health care needs members through annual Operational Reviews of Contractors and the review of required Contractor deliverables set forth in Contract, program specific performance measures, and performance improvement projects.

The Contractor shall implement mechanisms to comprehensively assess each member identified as having special health care needs, in order to identify any ongoing special conditions of the member which require a course of treatment or regular care monitoring, or transition to another AHCCCS program [42 CFR 457.1230(c), 42 CFR 438.208(c)(2) and (c)(3)(iii)-(v), 42 CFR 438.240(b)(4), 42 CFR 441.3010(c)(3)]. The assessment mechanisms must use appropriate health care professionals with the appropriate expertise [42 CFR 457.1230(c), 42 CFR 438.240(c)(2), 42 CFR 438.208(c)(2)]. The Contractor shall share with other entities providing services to that member the results of its identification and assessment of that member's needs so that those activities need not be duplicated [42 CFR 457.1230(c), 42 CFR 438.208(b)(4) and (c)(3)].

The Contractor shall ensure that members with special health care needs that are determined through assessment to need a course of treatment or regular care monitoring have an individualized physical and behavioral treatment or Service Plan. In addition, the Contractor shall conduct multi-disciplinary staffings for members with challenging behaviors or health care needs [42 CFR 457.1230(c), 42 CFR 438.208(c)(3)].

For members with special health care needs determined to need a specialized course of treatment or regular care monitoring, the Contractor must have procedures in place to allow members to directly access a specialist (for example through a standing referral or an approved number of visits) as appropriate for the member's condition and identified needs [42 CFR 457.1230(c), 42 CFR 438.208(c)(4)]. For members transitioning, refer to Section D, Paragraph 8, Transition Activities.

The Contractor shall have a methodology to identify providers willing to provide a patient centered medical home for members with special health care needs that offers comprehensive, continuous medical care and extended access to services with the goal of obtaining maximized health outcomes.

The American Academy of Pediatrics (AAP) describes care from a medical home as:

1. Accessible,
2. Continuous,
3. Coordinated,
4. Family-centered,
5. Comprehensive,
6. Compassionate, and
7. Culturally effective.

11. BEHAVIORAL HEALTH SERVICE DELIVERY

Behavioral health needs shall be assessed and services provided in collaboration with the member, the member's family and all others involved in the member's care, including other agencies or systems. Services shall be accessible and provided by competent individuals who are adequately trained and supervised. The strengths and needs of the member and their family shall determine the types and intensity of services. Services should be provided in a manner that respects the member and family's cultural heritage and appropriately utilizes informal supports in the member's community.

The Contractor shall adhere to the following requirements with respect to delivery of behavioral health services. Regardless of the type, amount, duration, scope, service delivery method, and population served, the Contractor's behavioral health service delivery system shall incorporate the following elements:

1. The System Values and Guiding Principles as specified in Section D, Paragraph 1, Purpose, Applicability, and Introduction,
2. Service delivery by providers that are appropriately licensed or certified, operating within their scope of practice, and registered as an AHCCCS provider,
3. Providers, acting within the lawful scope of their practice, are not prohibited or otherwise restricted from communicating freely with members regarding their health care, medical

needs and treatment options, even if needed services are not covered by the Contractor [Section 1932(b)(3)(A) of the Social Security Act, 42 CFR 457.1222, 42 CFR 438.102(a)(1)(i)-(iv)]:

- a. The member's health status, medical care or treatment options, including any alternative treatment that may be self-administered, [42 CFR 438.102 (a)(1)(i)],
 - b. Information the member needs in order to decide among all relevant treatment options,
 - c. The risks, benefits, and consequences of treatment or non-treatment, the member's right to participate in decisions regarding his or her health care, including the right to refuse treatment, and to express preferences about future treatment decisions, [42 CFR 457.1220, 42 CFR 438.100(a)(1), 42 CFR 438.100(b)(2)(iv)],
4. Referral and Intake Processes as outlined in AMPM Policy 580,
 5. Regular and ongoing training for providers and members to assist members with how to access services, including Non-Title XIX/XXI services. Contractors shall ensure providers coordinate care for members as appropriate to ensure services are delivered upon referral,
 6. Conduct a behavioral health assessment and provide a service plan following a Health Home model as specified in AMPM Policy 320-O,
 7. Coordination and provision of peer and family delivered support services,
 8. Adherence to General and Informed Consent requirements as outlined in AMPM Policy 320-Q,
 9. Access to comprehensive care coordination across the continuum of healthcare and non-clinical healthcare-related needs and services,
 10. Require covered services to be medically necessary and cost effective and to be provided by or coordinated by the primary care provider or Health Home except for annual well woman exams, behavioral health and children's dental services. The covered services shall be, and consistent with the terms of the demonstration, covered services must be provided by or coordinated with a primary care provider or Health Home,
 11. Coordination and provision of quality health care services informed by evidence-based practice guidelines in a cost effective manner,
 12. Coordination and provision of quality health care services that are culturally and linguistically appropriate, maximize personal and family voice and choice, and implement a trauma-informed care approach,
 13. Coordination and provision of preventative and health promotion services, including wellness services,
 14. Organization, training, implementation, and documentation of provider involved trainings/implementation to increase outreach, identification, referrals and provision of services to under and uninsured individuals,
 15. Coordination and provision of comprehensive care coordination and transitional care across settings; follow-up after crisis episodes, discharge from inpatient to other settings; participation in discharge planning; facilitating minimally disruptive transfers between systems of care, and outreach, engagement, re-engagement, and closure for behavioral health in as specified in AMPM Policy 1040,
 16. Coordination and provision of chronic disease management support, including self-management support,
 17. Provision of covered services to members in accordance with all applicable Federal and State laws, regulations and policies, including those listed by reference in attachments and this Contract,
 18. Coordination and provision of integrated clinical and non-clinical health-care related services, and

19. Implementation of health information technology to link services, facilitate communication among treating professionals, and between the health team and individual and family caregivers.
 1. Align with the System Values and Guiding Principles as specified in Section D, Paragraph 1, Purpose, Applicability, and Introduction,
 2. Deliver services by providers that are appropriately licensed or certified, operating within their scope of practice, and registered as an AHCCCS provider,
 3. Conduct Referral and Intake Processes as outlined in AMPM Policy 580,
 4. Conduct a behavioral health assessment and provide a service plan following a behavioral health home model in accordance with AMPM Policy 320-O,
 5. Coordinate and provide access to peer and family delivered support services
 6. Adhere to General and Informed Consent requirements as outlined in AMPM Policy 320-Q, and
 7. Provide access to comprehensive care coordination across the continuum of healthcare and non-clinical healthcare-related needs and services.

The Contractor must submit a narrative and data summary (Behavioral Health Utilization and Timeframes for CMDP Members deliverable), as specified in Section F, Attachment F3, Contractor Chart of Deliverables, that specifically addresses successes and barriers associated with behavioral health service delivery to CMDP members. Data elements should include utilization data as well as any identified trends related to CMDP members, including but not limited to quality of care, access, timeliness, and availability.

The Contractor shall develop, and publish to its website, admission criteria for medical necessity which at a minimum includes the elements as outlined in AMPM Policy 320-V. The Contractor shall submit the criteria for prior approval as specified in Section F, Attachment F3, Contractor Chart of Deliverables.

The Contractor shall employ a phased-in implementation approach, as directed by AHCCCS to:

1. Utilize the American Society of Addiction Medicine (ASAM) Criteria (Third Edition, 2013) in substance use disorder assessments, service planning, and level of care placement, and
2. Implement standardized substance use disorder assessments as specified in the AMPM.

The Contractor shall submit, as specified in Section F, Attachment F3, Contractor Chart of Deliverables, a Case Management Plan that addresses how the Contractor will implement and monitor provider case management standards and caseload ratios for adult and child members. The Case Management Plan shall include performance outcomes, lessons learned, and strategies targeted for improvement. Following the initial submission, subsequent submissions shall include an evaluation of the Contractor's Case Management Plan from the previous year.

Adult System of Care: For adult members, the Contractor shall adhere to Nine Guiding Principles for Recovery-Oriented Adult Behavioral Health Services and Systems, that were developed to promote recovery in the adult behavioral health system; system development efforts, programs, service provision, and stakeholder collaboration must be guided by these nine principles.

The Contractor shall ensure use of:

1. Standardized validated screening instruments by PCPs: The Contractor shall implement validated screening tools for Primary Care Providers (PCPs) to utilize for all adults related to behavioral health needs, social determinants of health, and trauma,
2. Streamlined service referral mechanism for PCPs: The Contractor shall implement a streamlined mechanism for PCPs to refer adults who are screened at risk for a behavioral health need to the appropriate behavioral health provider for further assessment, if not served through an integrated care provider,
3. Provider Case management services based upon a member's acuity and service needs. The Contractor shall comply with the requirements for provider case management standards and caseload ratios at the provider level. The Contractor shall ensure that caseload ratios are maintained in accordance with caseload weighting guidelines as outlined by AHCCCS. The Contractor shall ensure that case management and other support and rehabilitation services are provided to their assigned members in accordance with guidelines as outlined by AHCCCS,
4. Psychosocial Rehabilitation,
5. Centers of Excellence: Refer to Section D, Paragraph 72, Value-Based Purchasing,
6. Implementation of Assertive Community Treatment (ACT), Supported Employment services, Permanent Supportive Housing Services, and Consumer Operated Services consistent with Substance Abuse and Mental Health Services Administration (SAMHSA) Best Practices.

Fidelity Monitoring: The Contractor shall implement annual Fidelity Monitoring consistent with (SAMHSA) Best Practices for the following:

1. ACT Teams,
2. Supported Employment,
3. Permanent Supportive Housing and
4. Peer and Family Support Services.

The Contractor shall report, as specified in Section F, Attachment F3, Contractor Chart of Deliverables, a Fidelity Review Report, in addition to a narrative report including trends, performance outcomes, lessons learned, and strategies targeted for improvement.

Children's System of Care: For child members, the Contractor shall ensure delivery of services in conformance with Arizona Vision-Twelve Principles for Children Behavioral Health Service Delivery as specified in Section D Paragraph 1, Purpose, Applicability, and Introduction, AMPM Policy , and shall abide by AHCCCS Appointment Standards outlined in ACOM Policy 417, and comply with the requirements outlined in ACOM Policy 449.

The Contractor shall promote Evidence Based Practices for Transition Aged Youth (16-24 years of age) through development and monitoring of evidence-based programming.

The Contractor shall ensure provision of Trauma Informed Care (TIC) services, including routine trauma screenings and development of a network of TIC-certified therapists.

The Contractor shall promote service delivery for children age birth through five, including screening and high need identification as directed by AHCCCS.

The Contractor shall promote expansion of services for children age birth through five through training and monitoring of specialists as directed by AHCCCS and in alignment with Evidence Based Practices for this population (i.e. Infant Toddler Mental Health Coalition of Arizona (ITMHCA) standards).

The Contractor shall utilize Substance Use Disorders (SUD) screening tools to identify youth with substance use disorders and refer to SUD specialty services as appropriate.

The Contractor shall ensure the Child and Adolescent Level of Care Utilization System (CALOCUS) (or other assessment, as directed by AHCCCS) is administered by staff person(s) trained in the administration of the CALOCUS. All individuals administering the CALOCUS shall complete initial training, and pass initial and ongoing fidelity monitoring. Contractors shall adhere to the terms and requirements of Fidelity monitoring as prescribed by AHCCCS.

The CALOCUS shall be administered within the first 45 days of intake, at least every six months, and as significant changes occur in the life of the child. This may include but not limited to discharge from inpatient, behavioral health short term residential treatment, or therapeutic foster care. In addition to the CALOCUS (or other assessment, as directed by AHCCCS) level of acuity and high-need determination for children ages six through 17 may be assessed through clinical evaluation as well as CALOCUS core. This evaluation and high need identification shall also trigger an updated CALOCUS as well as review of the current treatment/service plan. CALOCUS assessments can be completed by any individual who has been trained to implement this assessment, and is practicing within their scope. Due to the potential for duplication of the CALOCUS assessment, treating behavioral health providers shall collaborate to ensure that differences in CALOCUS levels are addressed at the clinical level and through the CFT. The following AHCCCS Behavioral Health Practice Tools shall be utilized:

1. Youth Involvement in the Children's Behavioral Health System,
2. Child and Family Team,
3. Children's Out of Home Services,
4. Family and Youth Involvement in the Children's Behavioral Health System,
5. Psychiatric Best Practice for Children Birth through Five Years of Age,
6. Support and Rehabilitation Services for Children, Adolescents, and Young Adults,
7. Transition to Adulthood,
8. The Unique Behavioral Health Services Needs of Children, Youth, and Families Involved with DCS, and
9. Working with the Birth through Five Population.

The Contractor shall ensure use of:

1. *Standardized validated screening instruments by PCPs*
The Contractor shall implement validated screening tools for Primary Care Providers (PCPs) to utilize for all children to assess for behavioral health needs, social determinants of health, and trauma.

2. *Streamlined service referral mechanism for PCPs*

The Contractor shall implement a streamlined mechanism for PCPs to refer children who are screened at risk for a behavioral health need to the appropriate behavioral health provider for further assessment.
3. *Case management (provider level) services based upon a member's acuity and service needs*

The Contractor shall comply with the following requirements for high needs case managers at the provider level assigned to serve children with high service intensity needs:

 - a. Children with high service intensity needs who require the assignment of a high needs case manager are identified as:
 - i. Children 0 through five years of age with two or more of the following:
 - Other agency involvement; specifically: AzEIP, DCS, and/or DDD, and/or
 - Out of home placement for behavioral health treatment (within past six months), and/or
 - Psychotropic medication utilization (two or more medications), and/or
 - Evidence of severe psycho-social stressors (e.g. family member serious illness, disability, death, job loss, eviction)
 - ii. Children six through 17 years of age: CALOCUS level of 4, 5, or 6.
 - b. High needs case managers must:
 - i. For a full FTE (1.0), have a caseload ratio of high needs children not less than 1:8 and not more than 1:25, with 1:15 being the desired target. The caseload cap is 25 to allow for continuity of care for children who have been receiving high needs case management, but are now ready to begin transition from that level of care and for high needs case management of siblings.
 - ii. Provide case management and other support and rehabilitation services to their assigned members.
4. *Community-Based Behavioral Health Services*
 - a. The Contractor shall develop and maintain minimum network capacity standards for Specialist Support and Rehabilitation Services Providers,
 - b. The Contractor shall develop and maintain minimum network capacity standards for Generalist Support and Rehabilitation Services Providers, and.
 - c. The Contractor shall develop and maintain minimum network capacity standards for Therapeutic Foster Care (TFC). The Contractor shall utilize TFC as an alternative to more restrictive levels of care when clinically indicated.
5. *Centers of Excellence*

Refer to Section D, Paragraph 72, Value-Based Purchasing.
6. *Fidelity Monitoring*
 - a. Implement AHCCCS' method for in-depth quality review of Children's System of Care Practice Reviews, including necessary practice improvement activities as directed by AHCCCS,
 - The Contractor shall ensure that Performance Improvement Plans, based on the findings of the System of Care Practice Reviews (SOCPRs), are created and submitted to AHCCCS within 30 days of their SOCPR provider feedback meetings as specified in Section F, Attachment F3, Contractor Chart of Deliverables.

- After approval, the Contractor shall monitor the PIP on a quarterly basis to ensure provider completion of tasks and objectives identified in the PIP and, upon request, provide the results to AHCCCS System of Care.
 - b. Implement protocols for Child and Family Team training/supervision and fidelity monitoring as directed by AHCCCS, and
 - c. Implement AHCCCS-approved methodology for fidelity review of CALOCUS completion and scoring.
7. Implement random sample audits twice per year to assess for completion of the CALOCUS and perform quality assessments of service intensity ratings compared to the service array within the child's treatment/service plan. The number of providers and size of the audit sample shall be prior approved by AHCCCS.

Contractor Responsibilities: For all enrolled members, the Contractor is responsible for the following:

Access to Behavioral Health Services: Members may self-refer to a behavioral health provider, or be referred by providers, schools, State agencies, or other parties. The Contractor shall be responsible for meeting the appointment standards found in Section D, Paragraph 32, Appointment Standards.

Arizona State Hospital Discharges: Coordinate medical care for members who are inpatient at the Arizona State Hospital (AzSH) in accordance with AMPM Policy 1020 and the following:

AHCCCS enrolled members who are residing in the AzSH and who require physical health services that are not provided by AzSH during their stay, will receive services at Maricopa Integrated Health Systems (MIHS) clinics and/or Maricopa Medical Center (MMC). The Contractor responsible for physical health services shall provide reimbursement for medically necessary physical health services for populations served under this Contract under one of the two following arrangements:

1. A contractual agreement with MIHS clinics including MMC and MIHS physicians, to provide all medically necessary services. MIHS will be assigned to provide primary care services for all members residing in AzSH.
2. In the absence of a contractual agreement, the enrolled entity shall be responsible for coordination of care, prior authorization processes, claims payments, and provider and member issues for all services delivered by MIHS. The Contractor shall provide a seamless and obstacle free process for the provision of services and payment.

Emergency services for AzSH residents will be provided by the Maricopa Medical Center and shall be reimbursed by the Contractor regardless of prior authorization or notification. Physical health related pharmacy services for AzSH residents will be provided by AzSH in consultation with the Contractor. The Contractor responsible for physical health services is responsible for such payment.

The Contractor shall monitor and coordinate care for enrolled members who are admitted to the AzSH, awaiting admission to AzSH, and monitoring those who have been discharged or determined discharge ready from AzSH as specified in AMPM 1020. The Contractor is required to report to AHCCCS, as specified in Section F, Attachment F3, Contractor Chart of Deliverables, Contractor Monitoring of AzSH Admissions and Discharges.

Community Service Agencies: The Contractor may contract with community service agencies for the delivery of covered behavioral health services. Refer to AMPM Policy 965.

Conditional Release: The Contractor shall, in accordance with AMPM Policy 1020, provide high touch care/case management or other behavioral health and related services to members on Conditional Release from the Arizona State Hospital (AzSH) consistent with the Conditional Release Plan (CRP) issued by the PSRB. This includes but is not limited to coordination with AzSH for discharge planning; participating in the development of conditional release plans; member outreach and engagement to assist the Psychiatric Security Review Board (PSRB) in evaluating compliance with the approved conditional release plan; attendance in outpatient staffings at least once per month; care coordination with the member's treatment team and providers of both physical and behavioral health services, and routine delivery of comprehensive status reporting to the PSRB. The Contractor shall submit deliverables as specified in Section F, Attachment F3, Contractor Chart of Deliverables, to support an individual's conditional release into the community. The Contractor shall also identify a key clinical single point of contact at the Contractor as specified in AMPM Policy 1020 who is responsible for collaboration with AzSH and the PSRB and remediation of identified concerns. The Contractor may not delegate the care/case management functions to a subcontracted provider. In the event a member violates any term of his or her CRP the Contractor shall immediately notify the PSRB and provide a copy to AHCCCS and AzSH. The Contractor further agrees and understands it shall follow all obligations, including those stated above, applicable to it as set forth in A.R.S. §13-3994.

Coordination with DCS

Specific Requirements for Behavioral Health Services for Members in Legal Custody of the Department of Child Safety (DCS) and Adopted Children: Upon notification by the Department of Child Safety that a child has been taken into custody, the Contractor shall ensure that each child and family is referred for ongoing behavioral health services for a period of at least six months unless services are refused by the guardian or the child is no longer in Department of Child Safety custody. A minimum of one monthly documented service is required. Services must be provided to:

1. Mitigate and address the child's trauma,
2. Support the child's temporary caretakers,
3. Promote stability and well-being, and
4. Address the permanency goal of the child and family.

The Contractor shall report to AHCCCS information regarding members who are in Department of Child Safety custody and have not yet been engaged in behavioral health services. DCS will provide a monthly listing of children placed in Department of Child Safety (DCS) custody. The Contractor shall compare the DCS report with the Contractor's own listing of DCS children receiving a rapid response. For any identified members in Department of Child Safety custody

who have not been engaged in behavioral health services, the Contractor shall ensure that a rapid response is delivered. The Contractor shall submit to AHCCCS a monthly Department of Child Safety Rapid Response Monthly Reconciliation Report as outlined in ACOM Policy 449.

The Contractor is required to perform recurring review of identified DCS members in shelter care or other OOH placement to determine appropriateness of current placement and supports, with the goal of achieving increased stability/permanency. Services and supports shall be provided as needed to either stabilize current placement or support transition to a more appropriate setting/level of care.

Member Advisory Council: To promote a collaborative effort to enhance the service delivery system for members in out-of-home placement and adoptive care, the Contractor shall establish a Member Advisory Council to provide input and feedback on Policy and Programs focused on addressing the needs of members in out-of-home placement and adopted members. The Member Advisory Council shall meet at least quarterly and include a cross representation membership as specified in ACOM Policy 449. On an annual basis, the Contractor shall submit a Member Advisory Council Plan to AHCCCS/DHCM as specified in in Section F, Attachment F3, Contractor Chart of Deliverables, outlining the schedule of meetings, goals, and objectives. See ACOM Policy 449 for additional requirements. The Contractor shall designate Key Staff and streamline communication as delineated in Section D, Paragraph 15, Staffing Requirements, and ACOM Policy 449.

The Contractor shall submit deliverables regarding member's access to behavioral health services and provider requests to terminate as outlined in ACOM Policy 449 and as specified in Section F, Attachment F3, Contractor Chart of Deliverables.

Evidence Based Practice: The Contractor shall develop, manage, and monitor provider use of Evidence Based Programs and Practices (EBPP) including, but not limited to:

1. Intake, assessment, engagement, treatment planning, service delivery, inclusion of recovery interventions, discharge planning, relapse prevention planning, harm reduction efforts, data and outcome collection, and post-discharge engagement,
2. EBPPs used by all providers for the treatment of SUD, including Medication Assisted Treatment integrated into services as appropriate,
3. Trauma Informed Care,
4. Gender based treatment,
5. LGBTQ,
6. Culturally appropriate,
7. Criminal Involvement,
8. Adolescent specific, and
9. Development and use of Promising Practices if no EBPP is available.

Health Home: The Contractor shall develop processes to identify Health Homes within their network and assign members determined to have an SMI to a Health Home within five days of enrollment with the Contractor. The Contractor shall communicate the assignment to the member and shall notify the Health Home of assigned members within five days of assignment. Contractors shall not limit member to services accessible through the

Health Homes only and must allow members choice of a provider(s). The Health Home shall provide, or coordinate the provision of, covered behavioral and physical health services. In order to treat the whole person, the Health Home shall also provide, or coordinate a range of recovery focused services, to members such as medication services, medical management, case management, transportation, peer and family support services, and health and wellness groups. Additionally, the Health Home shall ensure follow up and continuing care post-crisis engagement.

Integrated Health Care Service Delivery: The Contractor shall increase and promote the availability of integrated, holistic care for members with chronic behavioral and physical health conditions that will help members achieve better overall health and an improved quality of life. The Contractor shall incorporate the elements identified in Section D, Paragraph 1, Purpose, Applicability, and Introduction.

The Contractor shall develop and promote care integration activities such as establishing integrated settings which serve members' primary care and behavioral health needs and encouraging member utilization of these settings. The Contractor shall consider the behavioral health needs, in addition to the primary health care needs of members during network development and provider contracting to ensure member access to care, care coordination, and management, and to reduce duplication of services.

Mental Health Parity: The Contractor shall demonstrate that services are delivered in compliance with mental health parity consistent with 42 CFR Part 457, 42 CFR Part 438, and ACOM Policy 110. The Contractor shall submit documentation which demonstrates compliance with mental health parity as promulgated under 42 CFR Part 438 and as specified in Section F, Attachment F3, Contractor Chart of Deliverables. Additionally, the Contractor shall submit a Parity Analysis Deficiency Report as specified in Section F, Attachment F3, Contractor Chart of Deliverables, identifying parity deficiencies, and a plan of how the Contractor will come into compliance within the same quarter as the submission. AHCCCS may require that the mental health parity analysis is conducted in a manner consistent with the State's analysis for contracted MCOs with carved out services. The Contractor may also be required to participate with and respond to inquiries from AHCCCS and/or an AHCCCS contracted consultant regarding Contractor policies and procedures requiring review to determine compliance with mental health parity regulations.

Further, in the event that a Contract modification, amendment, novation or other legal act changes, limits, or impacts compliance with the mental health parity requirement, the Contractor agrees to conduct an additional analysis for mental health parity in advance of the execution of the Contract change. Further, the Contractor shall provide documentation of how the requirements of 42 CFR 438 are met with submission of the Contract change; and how sustained compliance shall be achieved. The Contractor shall certify compliance with mental health parity requirements before Contract changes become effective.

The Contractor may be required to cover, in addition to services covered under the State Plan, any services necessary for compliance with the requirements for parity in mental health and substance use disorder benefits in 42 CFR part 438, subpart K, and the Contract identifies the types and amount, duration and scope of services consistent with the analysis of parity compliance conducted by either the State or the MCO.

Monitoring of Behavior Analysis: The Contractor shall monitor and coordinate care for members receiving Behavior Analysis. The Contractor shall maintain a sufficient network to ensure the needs of the population are met. The Contractor is required to submit a Behavior Analysis Benefit Report to AHCCCS, as specified in Section F, Attachment F3, Contractor Chart of Deliverables.

The Contractor monitoring of the Behavior Analysis Benefit Report shall include the number of:

1. Members with a diagnosis of ASD who have been approved to receive Behavior Analysis ,
2. New approvals during the current quarter for members with a diagnosis of ASD,
3. Members without a diagnosis of ASD who have been approved to receive Behavior Analysis,
4. New approvals during the current quarter for members without a diagnosis of ASD,
5. Hours, on average, for direct therapy for all enrolled members receiving Behavior Analysis,
6. Hours, on average, of supervision provided for all enrolled members receiving Behavior Analysis,
7. Members who are receiving Comprehensive Intervention (25-40 hours of direct treatment per week),
8. Members over the age of nine who are receiving comprehensive intervention,
9. Members who are receiving Focused Intervention (Less than 25 hours per week), and
10. Other reporting as requested by AHCCCS.

Monitoring, Training, and Education: The Contractor is responsible for training staff and providers, in sufficient detail and frequency, to identify and screen for members' behavioral health needs. At a minimum, training shall include information regarding:

1. The Nine Guiding Principles for Recovery-Oriented Adult Behavioral Health Services and Systems,
2. The Arizona Vision-Twelve Principles for Children Behavioral Health Service Delivery,
3. The 10 Principles of Wraparound,
4. Covered behavioral health services and referrals,
5. How to access services,
6. Petitioning and court-ordered evaluation processes provided for in A.R.S. Title 36 (Ch. 5, Article 4), and
7. How to involve the member and their family in decision-making and service planning.

The Contractor shall establish policies and procedures for referral and consultation and shall describe them in its provider manual. Training for staff and providers may be provided through employee orientation, clinical in-services, and/or information sharing via newsletters, brochures, etc.

Non-Title XIX/XXI Behavioral Health Services: Refer to Section D, Paragraph 9, Scope of Services.

Outreach: The Contractor is responsible for the organization of provider level training and the development of informational materials to increase outreach, eligibility identification, referrals, and tracking of referral outcomes, including for under and uninsured individuals. Refer to AMPM

Policy 1040 for provisions regarding Outreach, Engagement, and Re-engagement for behavioral health services.

Referrals: The Contractor shall develop, monitor, and continually evaluate its processes for timely referral, assessment, service, and treatment planning for behavioral health services. The Contractor shall have identified staff members to ensure that requests for behavioral health services made by the member, family, guardian, or any health care professional are referred within one business day to ensure that the request for services results in the member receiving a referral to a behavioral health provider. Refer to Section D, Paragraph 35, Appointment Standards and ACOM Policy 417.

A direct referral for a behavioral health assessment may be made by the member. A direct referral for a behavioral health assessment may be made by any health care professional. Refer to AMPM Policy 320-O for provisions regarding behavioral health assessment and treatment/service planning.

For referrals received from a PCP requesting a member receive a psychiatric evaluation or medication management, the appointments with a behavioral health medical professional shall be provided according to the needs of the member and within AHCCCS appointment standards with appropriate interventions to prevent a member from experiencing a lapse in medically necessary psychotropic medications.

Refer to AMPM Policy 520 for information regarding additional requirements for referrals resulting in Out of Service Area Placement for Members with SMI.

Refer to Section D, Paragraph 31, Referral Management Procedures and Standards.

SMI Eligibility Evaluations and Determination: The Contractor shall ensure persons who may meet the SMI eligibility criteria are identified and assessed by qualified clinicians as specified in AMPM Policy 320-P. Payment for SMI eligibility evaluations is the responsibility of the Contractor and may not be conducted by Contractor staff. The Contractor is responsible for SMI evaluations for Non-TXIX/XXI members, individuals who are incarcerated due to suspended Medicaid eligibility, and persons designated SMI requesting SMI decertification, or removal of the SMI designation. The Contractor shall ensure SMI eligibility evaluations (including decertifications) and all required documentation is completed accurately and referred timely and comprehensively to the AHCCCS designee authorized to render SMI Eligibility Determinations.

The Contractor shall ensure SMI Eligibility Determination Evaluation Packets include at a minimum, the following documentation:

1. AMPM Policy 320-P, Attachment A, Serious Mental Illness Determination Form,
2. Consent Form(s),
3. Comprehensive Assessment,
4. Waiver to extend three day SMI Eligibility Determination timeframe, as applicable,
5. Additional records available for consideration, and
6. All Signed Release(s), if appropriate.

The Contractor shall immediately establish SMI services and ensure effective and comprehensive care coordination based on the presenting needs of the member, once a determination for SMI eligibility has been rendered.

The Contractor shall cooperate with AHCCCS and the SMI Eligibility determination designee by establishing and implementing systems or processes for communication, consultation, data sharing and the exchange of information.

The Contractor shall comply with the requirements of AMPM Policy 320-P.

Adherence to these requirements is subject to review through AHCCCS audits and/or Operational Reviews.

SMI Decertification: The process that results in the removal of the SMI behavioral health category designation from the member's record. An SMI Decertification may occur in one of the following ways:

Administrative: A member who has an SMI designation may request an SMI Administrative Decertification if the member has not received behavioral health services for a period of two or more years. The Contractor shall direct the member to notify AHCCCS/DHCM Customer Service; AHCCCS will evaluate the member's request and make a determination.

Clinical: An SMI Clinical Decertification is a determination that a member who has an SMI designation no longer meets SMI criteria. The Contractor shall coordinate with the AHCCCS designee which conducts SMI eligibility determinations. The AHCCCS designee will evaluate the submitted documents to determine if there is sufficient clinical documentation for SMI decertification.

12. AHCCCS GUIDELINES, POLICIES AND MANUALS

All AHCCCS guidelines, policies, and manuals, including but not limited to, ACOM, AMPM, and Reporting Guides, are hereby incorporated by reference into this Contract. Guides and manuals are available on the AHCCCS website. Refer to ACOM Policy 100 and AMPM Policy 100 for an overview of the principles of service delivery; an outline of the ACOM and AMPM layout; and processes for policy development. The Contractor is responsible for ensuring that its subcontractors are notified when modifications are made to the AHCCCS guidelines, policies, and manuals. The Contractor is responsible for complying with all requirements set forth in these sources as well as with any updates. In addition, linkages to AHCCCS rules, statutes and other resources are available through the AHCCCS website. Upon adoption by AHCCCS, updates will be available on the AHCCCS website.

13. MEDICAID SCHOOL BASED CLAIMING

Pursuant to an Intergovernmental Agreement with the Department of Education, and a contract with a Third Party Administrator, AHCCCS pays participating school districts for specifically identified Medicaid services when provided to Medicaid eligible children who are included under the Individuals with Disabilities Education Act (IDEA). The Medicaid services must be

identified in the member's Individualized Education Program (IEP) as medically necessary for the child to obtain a public school education. Refer to AMPM Policy 710.

Medicaid School Based Claiming (MSB) services are provided in a school setting or other approved setting specifically to allow children to receive a public school education. They do not replace medically necessary services provided outside the school setting or other MSB services approved at an alternative setting. Currently, services include: audiology, therapies (OT, PT, and speech/language), behavioral health evaluation and counseling, nursing and attendant care (health aid services provided in the classroom), and specialized transportation to and from school on days when the child receives an AHCCCS-covered MSB service.

The Contractor's evaluations and determinations of medical necessity shall be made independent of the fact that the child is receiving MSBC services. If a request is made for services that also are covered under the MSB program for a child enrolled with the Contractor, the request shall be evaluated on the same basis as any request for a covered service.

The Contractor and its providers shall coordinate with schools and school districts that provide MSB services to the Contractor's enrolled members. Services should not be duplicative. Contractor care managers and provider case managers working with children who have special needs, shall coordinate with the appropriate school staff working with these members. Transfer of member medical information and progress toward treatment goals between the Contractor and the member's school or school district is required as appropriate and shall be used to enhance the services provided to members.

The Contractor must designate a single point of contact to coordinate care and communicate with public school Transition Coordinators, and evaluate all requests made for services covered under the MSB program on the same basis as any request for a covered service.

14. PEDIATRIC IMMUNIZATIONS AND THE VACCINES FOR CHILDREN PROGRAM

Through the Vaccines for Children (VFC) program, the Federal and State governments purchase, and make available to providers at no cost, vaccines for AHCCCS children under age 19. The Contractor shall not utilize AHCCCS funding to purchase vaccines for members under the age of 19. If vaccines are not available through the VFC program, the Contractor shall contact AHCCCS/DHCM, Clinical Quality Management for guidance. Any provider licensed by the State to administer immunizations, may register with Arizona Department of Health Services (ADHS) as a VFC provider to receive these free vaccines. The Contractor shall not reimburse providers for the administration of the vaccines in excess of the maximum allowable as set by CMS. The Contractor shall comply with all VFC requirements and monitor contracted providers to ensure that providers are registered as VFC providers when acting as Primary Care Providers (PCP) for members under the age of 19 years.

Due to low numbers of children in their panels, providers in certain Geographic Service Areas may choose not to provide vaccinations. Whenever possible, members shall be assigned to VFC registered providers within the same or a nearby community. When that is not possible, the Contractor shall develop processes to ensure vaccinations are available through a VFC enrolled provider or through the appropriate County Health Department. In all instances, the vaccines are to be provided through the VFC program. The Contractor shall develop processes to pay the

administration fee to whoever administers the vaccine regardless of their Contract status with the Contractor.

Arizona State law requires the reporting of all immunizations given to children under the age of 19. Immunizations must be reported at least monthly to the ADHS Immunization Registry. Reported immunizations are held in a central database known as ASIIS (Arizona State Immunization Information System), which can be accessed by providers to obtain complete, accurate immunization records. Software is available from ADHS to assist providers in meeting this reporting requirement. The Contractor shall educate its provider network about these reporting requirements and the use of this resource.

15. STAFFING REQUIREMENTS

The Contractor shall have in place the organizational, operational, managerial, and administrative systems capable of fulfilling all Contract requirements. For the purposes of this Contract, the Contractor shall not employ or contract with any individual who has been debarred, suspended or otherwise lawfully prohibited from participating in any public procurement activity or from participating in non-procurement activities under regulations issued under Executive Order No. 12549 or under guidelines implementing Executive Order 12549 [42 CFR 457.1285, 42 CFR 438.610(a)-(b), 42 CFR 1001.1901(b), 42 CFR 1003.102(a)(2)]. The Contractor is obligated to screen employees and subcontractors to determine whether they have been excluded from participation in Federal health care programs as specified in Section D, Paragraph 58, Corporate Compliance.

The Contractor shall employ sufficient staff and utilize appropriate resources to achieve contractual compliance. The Contractor's resource allocation must be adequate to achieve outcomes in all functional areas within the organization. Adequacy will be evaluated based on outcomes and compliance with contractual and AHCCCS policy requirements. If the Contractor does not achieve the desired outcomes or maintain compliance with contractual obligations, additional monitoring and regulatory action may be employed by AHCCCS as specified in Section D, Paragraph 22, Quality Management and Performance Improvement.

The Contractor must maintain written guidelines for developing, reviewing, and approving all policies, procedures, and job descriptions for each of the Contractor's functional areas including guidelines for a semi-annual review of all job descriptions to align job duties actually performed by the staff with written requirements. The Contractor shall require all staff, whether employed or under Contract, to have the training, education, experience, orientation, and credentialing, as applicable, to perform assigned job duties and provide initial and ongoing staff training that includes an overview of AHCCCS Policy and Procedure Manuals, and Contract requirements and State and Federal requirements specific to individual job functions.

The Contractor shall have local staff available 24 hours per day, seven days per week to work with AHCCCS and/or other State agencies, such as Arizona Department of Health Services (ADHS)/Public Health Licensing or the Arizona Department of Emergency and Military Affairs on urgent issue resolutions. Urgent issue resolutions include Immediate Jeopardies (IJ), fires, or other public emergency situations. These staff shall have access to information necessary to identify members who may be at risk and their current health/service status, the ability to initiate new placements/services, and have the ability to perform status checks at affected facilities and perform ongoing monitoring, if necessary. Additionally, the Contractor shall have

processes in place to assure limited member disruption of care/services in the case of an emergency; examples include but are not limited to mechanisms for service authorization and/or pharmacy overrides and transportation to support evacuation efforts. The Contractor shall provide contact information, for primary and back-up staff members who will handle Urgent Issue Resolution (non-business hours) with its annual Key Staff deliverables as specified in Section F, Attachment F3, Contractor Chart of Deliverables. At a minimum the contact information shall include a current 24/7 telephone number. AHCCCS/DHCM, Operations Compliance Officer must be notified and provided back up contact information when the primary contact individual will be unavailable, or when the primary contact information changes.

For functions not required to be in State, the Contractor shall notify AHCCCS as specified in, Section F, Attachment F3, Contractor Chart of Deliverables, prior to moving functions outside the State of Arizona. The notification shall include an implementation plan for the transition. The Contractor shall be responsible for any additional costs associated with on-site audits or other oversight activities which result when required systems are located outside of the State of Arizona.

Except as otherwise specified below, an individual staff member is limited to occupying a maximum of two Key Staff positions, which may include a staff member occupying two positions within a single line of business or one position across two lines of business (including non-AHCCCS lines of business), unless prior approval is obtained by AHCCCS. For Contractors who also have an AHCCCS Complete Care (ACC) line of business, AHCCCS will consider the ACC and RBHA Contracts as a single line of business for positions required under both Contracts.

The Contractor shall inform AHCCCS, in writing as specified in Section F, Attachment F3, Contractor Chart of Deliverables, when an employee leaves one of the Key Staff positions listed below. The Contractor shall include the name of the interim contact person with the notification. Unless otherwise approved by AHCCCS, an individual staff member is limited to occupying an interim position for no longer than six months from the date of notification submitted to AHCCCS. The name and resume of the permanent employee is to be submitted as soon as the new hire has taken place along with a revised Organization Chart complete with Key Staff.

The Contractor shall inform AHCCCS, in writing as specified in, Section F, Attachment F3, Contractor Chart of Deliverables when any of the following contact information for an individual holding a Key Staff position changes: the individual's name, the individual's telephone number, the individual's email address, or the individual's location.

AHCCCS has the discretion to review all submitted Key Staff positions and reserves the right to direct Contractor actions regarding staffing decisions it deems are in the best interest of the State. AHCCCS will not permit any Contractor staff to hold positions which may present a conflict of interest.

At a minimum, the following staff is required:

Key Staff Positions

1. **Administrator/Chief Executive Officer (CEO)** who is located in Arizona within the assigned Geographic Service Area, must directly oversee the entire operation of the Contractor on a day-to-day basis, including actively directing and prioritizing work and operations of the

organization, regardless of where that work is performed or the site of operations. The Contractor's Administrator/CEO is accountable to AHCCCS for compliance with the requirements and obligations under this Contract. This position is not required if the Contractor also holds an AHCCCS Complete Care Contract, and references to all functions to be performed by this position in this Contract shall be fulfilled by the AHCCCS Complete Care Contract position.

2. **Chief Medical Officer (CMO)** who is located in Arizona within the assigned Geographic Service Area in Greater Arizona and is an Arizona-licensed physician, in good standing. The CMO shall provide oversight and management of the Clinical, Quality Management and Medical Management components of the Contractor; this includes direct oversight of the Adult and Children's Healthcare Administrators and both physical and behavioral health services. The CMO is responsible for designing the appropriate infrastructure and staffing resources under the Adult and Children's Healthcare Administrators in order to ensure that expertise for both physical and behavioral health services are available and integrated within the organization.
3. **Adult Healthcare Administrator** who is located in Arizona and is an Arizona-licensed health care professional, in good standing, with expertise in both physical and behavioral healthcare delivery systems. The Adult Healthcare Administrator is responsible for oversight of both physical and behavioral health programs for members 18 years of age and older and reports directly to the CMO. The Adult Healthcare Administrator shall ensure coordination of needed crisis services, address barriers to delivery of health care services and ensure coordination of care with system stakeholders.
4. **Children's Healthcare Administrator** who is located in Arizona and is an Arizona-licensed health care professional, in good standing, with expertise in the children's physical and behavioral healthcare systems. The Children's Healthcare Administrator is responsible for oversight of both physical and behavioral health programs for members birth through 20 years of age and reports directly to the CMO. The Children's Healthcare Administrator shall oversee the children's physical and behavioral health service delivery system.
5. **Chief Financial Officer (CFO)** who is responsible for oversight of the budget, accounting systems and financial reporting requirements.
6. **Pharmacy Coordinator/Pharmacy Director** who is located in Arizona and is an Arizona licensed pharmacist or physician in good standing, who oversees and administers the prescription drug and pharmacy benefits. The Pharmacy Coordinator/Director may be an employee or subcontractor of the Contractor.
7. **Dental Director** who is located in Arizona, is an Arizona licensed general or pediatric dentist in good standing and who is responsible for leading and coordinating the dental activities of the Contractor including, review and denial of dental services, provider consultation, utilization review, and participation in tracking and trending of quality of care issues as related to dental services. The Dental Director should also ensure community resources are identified for members who do not have dental services coverage. The Dental Director may be an employee or subcontractor of the Contractor but may not be from the Contractor's delegated dental subcontractor.

8. **Corporate Compliance Officer** who is located in Arizona within the assigned Geographic Service Area 6 and who implements and oversees the Contractor's Compliance Program. The Corporate Compliance Officer shall be a management, available to all employees, with designated and recognized authority to access records and make independent referrals to the AHCCCS/OIG. Refer to Section D, Paragraph 58, Corporate Compliance for more information.
9. **Contract Compliance Officer** who is located in Arizona within the assigned Geographic Service Area 6 and who serves as the primary point-of-contact for all Contractor operational issues. The primary functions of the Contract Compliance Officer include, but are not limited to, coordination of the tracking and submission of all Contract deliverables, fielding and coordinating responses to AHCCCS inquiries, coordinating the preparation and execution of Contract requirements such as Operational Reviews (ORs), random and periodic audits and ad hoc visits.
10. **Quality Management Manager** who is located in Arizona and is an Arizona-licensed registered nurse, physician or physician's assistant in good standing or is a Certified Professional in Healthcare Quality (CPHQ) by the National Association for Health Care Quality (NAHQ) and/or Certified in Health Care Quality and Management (CHCQM) by the American Board of Quality Assurance and Utilization Review Providers. The QM Manager must have experience in quality management and clinical investigations. This position is not required if the Contractor also holds an AHCCCS Complete Care Contract, and references to all functions to be performed by this position in this Contract shall be fulfilled by the AHCCCS Complete Care Contract position. Quality Management must have sufficient local staffing who are licensed clinical or behavioral health professionals to meet the requirements of the quality management program. Staff must report directly to the Quality Management Manager.

The primary functions of the Quality Management Manager position are:

- a. Ensure individual and systemic quality of care,
 - b. Conduct comprehensive quality-of-care investigations,
 - c. Conduct onsite quality management visits/reviews,
 - d. Conduct care needed today/immediate jeopardy investigations,
 - e. Integrate quality throughout the organization,
 - f. Implement quality improvement, and
 - g. Resolves, evaluates, tracks and trends quality of care grievances/concerns.
11. **Performance/Quality Improvement Manager** who is located in Arizona and:
 - a. Is a Certified Professional in Healthcare Quality (CPHQ) by the National Association for Health Care Quality (NAHQ),
 - b. Is certified in Health Care Quality and Management (CHCQM) by the American Board of Quality Assurance and Utilization Review Physicians, or
 - c. Has comparable education and experience in health plan data and outcomes measurement.

The Performance/Quality Improvement Manager is responsible for quality improvement activities as well as staff conducting quality improvement work as outlined in Contract and

policy. Staff reporting to this position must be located in Arizona, have knowledge of both physical and behavioral health service delivery, and appropriately qualified (education/certification/professional experience) to meet the AHCCCS quality improvement contractual and policy requirements.

The primary functions of the Performance Quality Improvement Manager are:

- a. Focus organizational efforts on improving quality improvement performance measures,
- b. Develop and implement performance improvement projects,
- c. Utilize data to develop intervention/strategies to improve quality outcomes and member satisfaction, and
- d. Report quality improvement/performance outcomes.

12. **Credentialing Coordinator** who is located in Arizona and who has appropriate education and/or experience to effectively complete all requirements of the position.

The primary functions of the Credentialing Coordinator are:

- a. Serve as the single point of contact to AHCCCS for credentialing-related questions and concerns,
- b. Responsible for timely and accurate completion of all credentialing-related deliverables,
- c. Ensure all credentialing requirements, including timeframes, are adhered to by the Contractor, and
- d. Provide a detailed, transparent description of the credentialing process to providers and serve as the single point of contact for the Contractor to address provider questions about the credentialing process.

13. **Maternal Child Health (MCH)/EPSDT Coordinator** who is located in Arizona within the assigned Geographic Service Area 6, is an Arizona licensed nurse, physician or physician's assistant in good standing, or has a Master's degree in health services, public health, health care administration or other related field, and/or a CPHQ or CHCQM Certification. Staff reporting to this position must be appropriate to meet the AHCCCS MCH/EPSDT contractual and policy requirements and must be located in Arizona. MCH/EPSDT staff must either report directly to the MCH/EPSDT Coordinator or the MCH/EPSDT Coordinator must have the ability to ensure that AHCCCS MCH/EPSDT requirements are met.

The primary functions of the MCH/EPSDT Coordinator are:

- a. Ensure receipt of EPSDT services,
- b. Ensure receipt of maternal and postpartum care,
- c. Promote family planning services,
- d. Promote preventive health strategies,
- e. Promote access to oral health care services,
- f. Identify and coordinates assistance for identified member needs, and
- g. Collaborate/Interface with community and system stakeholders/partners.

14. **Member Liaison Coordinator** who is located in Arizona and who is experienced in working with individuals including members with special healthcare needs, families, youth, advocates and key stakeholders. The Member Liaison Coordinator shall ensure that staff

members directly reporting to this position are sufficient to fulfill the responsibilities of this role. At a minimum, the following staff shall report directly to the Member Liaison Coordinator:

- a. CRS Member Liaison, and
- b. Veteran Liaison.

The primary functions of the Member Liaison Coordinator are:

- a. Oversee the organization's advocacy program for members with special healthcare needs involved in CRS and Veteran's Affairs,
- b. Communicate and disseminate information to members with special healthcare needs and families to identify concerns and remove barriers that affect service delivery or member satisfaction,
- c. Collaborate with the organization's other member support areas, including but not limited to Individual and Family Affairs, Member Services and Provider Services, and
- d. Collaborate with the AHCCCS/DCAIR, Office of Human Rights (OHR) and the Independent Oversight Committee (IOC), provide information to regional IOCs, and attend IOC meetings.

15. **Individual and Family Affairs Administrator** who is located in Arizona and who has lived experience receiving behavioral health services and/or navigating a public behavioral health system; and who is experienced in working with individuals including members, families, youth, advocates and key stakeholders. This individual shall oversee and have the ability to implement Contractor Individual and Family Affairs activities and ensure that staff members directly reporting to this position are sufficient to fulfill the responsibilities of the role. This position shall provide feedback and input on Individual and Family Affairs activities directly to the Executive/Senior Leadership Teams on a regular basis.

At a minimum, the following staff shall report directly to the Individual and Family Affairs Administrator:

- a. Adult Behavioral Health Member Liaison with lived (self or family) experience, and
- b. Child Behavioral Health Member Liaison with lived experience (self or family).

The Individual and Family Affairs Administrator, and sufficient staff under this position, shall:

- a. Build partnerships with individuals, families, youth, and key stakeholders to promote recovery, resiliency and wellness,
- b. Establish structure and mechanisms to increase the member and family voice in areas of leadership, service delivery and Contractor decision-making committees and boards,
- c. Advocate for service environments that are supportive, welcoming and recovery oriented by implementing Trauma Informed Care service delivery approaches and other initiatives,
- d. Communicate and collaborate with members and families to identify concerns and remove barriers that affect service delivery or member satisfaction,
- e. Oversee the provision and utilization of Peer and Family Support services, and
- f. Actively collaborate and participate with AHCCCS/DCAIR, Office of Individual and Family Affairs (OIFA) in projects, initiatives and events.

16. **Medical Management Manager** who is located in Arizona within the assigned Geographic Service Area, and is an Arizona-licensed registered nurse, physician or physician's assistant in good standing. This position manages all medical management requirements under AHCCCS policies, State regulations, rules, and Contract. Medical Management must have sufficient local staff reporting to this position with appropriate physical and behavioral health knowledge and expertise to support whole-person health and to comply with AHCCCS medical management contractual and policy requirements. The primary functions of the Medical Management Manager include but are not limited to, application of appropriate medical necessity criteria, concurrent review, discharge planning, care coordination, disease management, prior authorization and care management functions, monitor, analyze and implement appropriate interventions based on utilization data, including identifying and correcting over or under utilization of services, and monitor prior authorization functions and assure that decisions are made in a consistent manner based on clinical criteria and meet timeliness standards. Medical Management must have sufficient local staff reporting to this position with appropriate physical and behavioral health knowledge and expertise to support whole-person health and to comply with AHCCCS medical management contractual and policy requirements.
17. **Transition Coordinator** who is a health care professional or who possesses the appropriate education and experience and is supported by a health care professional to effectively coordinate and oversee all member transition issues, responsibilities and activities. The Transition Coordinator shall ensure safe, timely, and orderly member transitions. Refer to ACOM Policy 402.
18. **Transplant Coordinator** who is an Arizona licensed registered nurse in good standing and who is responsible for the timely review and authorization of transplant services in accordance with AHCCCS Policy and State regulations. Refer to AMPM Policy 310-DD.
19. **Justice System Liaison** who is located in Arizona, is the single point of contact for communication with the justice system; is the interagency liaison with the Arizona Department of Corrections (ADOC), County Jails, Sherriff's Office, Correctional Health Services, Arizona Department of Juvenile Corrections (ADJC), Arizona Office of the Courts (AOC) and Probation Departments and is responsible for Justice System reach-in initiatives, including serving as the single point of contact for law enforcement engaging in opioid-related diversion and incarceration alternative projects.
20. **Court Coordinator** who is located in Arizona and who is the single point of contact for information specific to the court's disposition for eligible members (i.e. Drug Court, Mental Health Court, Criminal Proceedings), coordination of court ordered evaluation and treatment, and who communicates court related follow-up/requirements to Contractor staff.
21. **Employment/Vocational Administrator** who is located in Arizona. This position shall manage and oversee subcontractor employment supports and services, including oversight of the workforce competencies listed in ACOM Policy 447. This position shall also act as the interagency liaison with ADES/RSA and oversee subcontractor activities as it pertains to the Interagency Service Agreement (ISA) with ADES/RSA. Duties shall include consistent communication and technical assistance to provider locations that have assigned ADES/RSA staff in order to monitor adherence to the ISA. This position shall be dedicated solely to the

oversight and provision of employment and rehabilitation-related activities. Sufficient staffing, taking geographic service area size and member enrollment numbers into account, reporting to this position and also dedicated solely to employment and rehabilitation-related activities must be in place to adequately meet contractual and policy employment service requirements.

22. **Network Administrator** who is located in Arizona and who manages and oversees network development, network sufficiency, and network reporting functions. This position ensure network adequacy and appointment access, develops network resources in response to identified unmet needs, ensures a member's choice of providers.
23. **Member Services Manager** who is located in Arizona and who coordinates communications with members, coordinates issues with appropriate areas within the organization, resolves member inquiries/problems, and meets standard for resolution, telephone abandonment rates and telephone hold times.
24. **Provider Services Manager** who is located in Arizona and coordinates communications between the Contractor and providers. This position ensures that providers receive prompt resolution to their problems and inquiries and appropriate education about participation in the AHCCCS Program. Sufficient local staffing under this position must be in place to ensure providers receive assistance and appropriate and prompt responses. See Section D, Paragraph 28, Network Management.
25. **Claims Administrator** who shall ensure prompt and accurate provider claims processing. Sufficient staffing under this position must be in place to ensure the timely and accurate processing of original claims, resubmissions, and overall adjudication of claims.

The primary functions of the Claims Administrator are:

- a. Develop and implement claims processing systems capable of paying claims in accordance with State and Federal requirements,
- b. Develop processes for cost avoidance,
- c. Ensure minimization of claims recoupments, and
- d. Ensure claims processing timelines are met.

26. **Encounter Manager** who shall ensure AHCCCS encounter reporting requirements are met. Sufficient staffing under this position must be in place to ensure timely and accurate processing and submission of encounter data and reports to AHCCCS.
27. **Provider Claims Educator** who is located in Arizona, and who facilitates the exchange of information between the grievances, claims processing, and provider relations systems.

The primary functions of the Provider Claims Educator are:

- a. Educate contracted and non-contracted providers (professional and institutional) regarding appropriate claims submission requirements, coding updates, electronic claims transactions and electronic fund transfer,
- b. Educate contracted and non-contracted providers on available Contractor resources such as provider manuals website, fee schedules, etc.,

- c. Interface with the Contractor's call center to compile, analyze, and disseminate information from provider calls,
 - d. Identify trends and guide the development and implementation of strategies to improve provider satisfaction, and
 - e. Frequently communicate with providers, including on-site visits, to assure the effective exchange of information and gain feedback regarding the extent to which providers are informed about appropriate claims submission practices.
28. **Dispute and Appeal Manager** who is located in Arizona, is responsible for managing Grievance and Appeal System processes and who is responsible for forwarding all requests for hearing to AHCCCS/OALS with the required information. This individual shall collaborate with AHCCCS to address provider or member SMI grievance and SMI appeal process concerns. This qualified individual shall collect necessary information, consult with the member's treatment team and consult with the Contractor's CMO or a care manager for clinical recommendations when applicable, develop communication strategies in accordance with confidentiality laws, and develop a written plan to address and resolve the concern, to be approved by AHCCCS prior to implementation. Any staff reporting to this position who manage and adjudicate disputes and appeals must also be located in Arizona.
29. **Information Systems Administrator** who is responsible for Information System (IS) management including coordination of the technical aspects of application infrastructure, server and storage needs, reliability, and survivability of all data and data exchange elements. Sufficient staffing reporting to this position must be in place to ensure timely and accurate information systems management to meet system and data exchange requirements.
30. **Continuity of Operations and Recovery Coordinator** who is located in Arizona, and who is responsible for the coordination and implementation of the Contractor's Continuity of Operations and Recovery Plan, and training and testing of the Plan, as specified in ACOM Policy 104.
31. **Cultural Competency Coordinator** who is responsible for implementation and oversight of the Contractor's Cultural Competency Program and the Cultural Competency Plan.
32. **Communications Administrator** who is responsible for media inquiries, public relations, policy development, implementation, and oversight of all social networking, health promotion and outreach activities.
33. **Management Services Agreement Administrator** who is responsible for oversight of the Management Services Agreement (MSA) subcontractor and who is the Contractor's Key Contact for AHCCCS coordination and who is not employed by the MSA. This position is only required when the Contractor operates under a subcontract with an MSA.
34. **Tribal Coordinator** who is located in Arizona within the assigned Geographic Service Area 6 and acts as the liaison with tribal nations and tribal providers, promoting services and programs to improve the health of American Indian members as specified in Section D, Paragraph 23, Medical Management, *Collaboration with Tribal Nations and Providers*.

35. **Children Services Liaison** who is located in Arizona and serves as the primary point-of-contact who is available to, and works collaboratively with, out-of-home placement and adoptive parents to coordinate needed crisis services and address barriers to services. The primary functions of the Children Services Liaison include; accepting and responding to inquiries from out-of-home placements, adoptive parents, or providers, and address concerns related to the delivery of and access to behavioral health services for children in out-of-home placements or with adoptive parents.
36. **Workforce Development Administrator** who is responsible for coordinating and overseeing contractually required workforce development activities. The Workforce Development Administrator shall have a professional background, authorities, and ongoing training and development needed to lead the Workforce Development Operation (WFDO) as specified in Contract. These elements include but are not limited to the following:
- Experience in workforce recruitment, selection, training and development, deployment and retention,
 - Experience and or training in WFD functions such as workforce forecasting, assessment, planning, and the provision of technical assistance in WFD matters, and
 - If not ordinarily required by the Contractor, the Workforce Development Administrator shall have a Professional Development Plan containing workforce development related training and development objectives. All personnel directly reporting to the Workforce Development Administrator having WFD roles (e.g. training managers, coordinators, specialists) shall have a Professional Development Plan.

Additional Required Staff

37. **AHCCCS Eligibility Liaison** who oversees AHCCCS' eligibility screening and referral requirements.
38. **Arizona State Hospital Liaison** who is the single point of contact with the Arizona State Hospital and AHCCCS to coordinate admissions, ongoing care, and discharges for members in the Arizona State Hospital.
39. **CMDP Coordinator** who is the single point of contact to coordinate health information specific to Division of Child Safety and Family Services eligible children in the CMDP Program, and participates in meetings via telephone and teleconference, as needed.
40. **Prior Authorization staff** to authorize health care services. This staff shall include but is not limited to Arizona-licensed nurses and/or licensed behavioral health professionals in good standing. The staff will work under the direction of an Arizona-licensed physician.
41. **Concurrent Review staff** who are located in Arizona and who conducts inpatient medical necessity reviews. This staff shall include but is not limited to Arizona-licensed nurses and/or licensed behavioral health professionals in good standing. The staff will work under the direction of an Arizona-licensed physician.
42. **Member Services staff** to enable members to receive prompt resolution of their inquiries/problems.

43. **Care Management staff** who are located in Arizona and who provides care coordination for members with special health care needs, in accordance with AMPM Chapter 1000.
44. **DES/APS Liaison** who is responsible for coordinating with DES/Adult Protective Services (APS) for adult members. The Contractor shall provide the contact information for this staff position along with the Key Staff deliverables, as outlined below, and as specified in Section F, Attachment F3, Contractor Chart of Deliverables.

The Contractor must submit the following items as specified in Section F, Attachment F3, Contractor Chart of Deliverables:

1. An organization chart complete with the Key Staff positions. The chart must include the individual's name, title, location and portion of time allocated to each Medicaid Contract and other non-Medicaid lines of business.
2. A functional organization chart of the key program areas, responsibilities and reporting lines.
3. A listing of all Key Staff to include the following:
 - a. Individual's name,
 - b. Individual's title,
 - c. Individual's telephone number,
 - d. Individual's email address,
 - e. Individual's location(s),
 - f. Documentation confirming applicable Key Staff functions are filled by individuals who are in good standing (for example, a printout from the Arizona Medical Board webpage showing the CMO's active license), and
4. A list of all Key Staff functions and their locations; and a list of any functions that have moved outside of the State of Arizona in the past Contract year.

The Contractor is responsible for maintaining a significant local presence within the State of Arizona. Positions performing functions related to this Contract must have a direct reporting relationship to the local Administrator/Chief Executive Officer (CEO). The local CEO shall have the authority to direct, implement and prioritize work to ensure compliance with Contract requirements. The local CEO shall have the authority and ability to prioritize and direct work performed by Contractor staff and work performed under this Contract through a management service agreement or through a delegated agreement.

Staff Training and Meeting Attendance: The Contractor shall ensure that all staff, whether employed or under Contract, have appropriate training, education, experience, orientation, and credentials, as applicable, to perform assigned job duties and fulfill the requirements of the Contract.

The Contractor shall provide initial and ongoing staff training that includes an overview of AHCCCS, AHCCCS Policy and Procedure Manuals, Contract requirements, and State and Federal requirements specific to individual job functions. The Contractor shall ensure that all staff members having contact with members or providers receive initial and ongoing training with regard to the appropriate identification and handling of quality of care/service concerns.

All transportation, prior authorization, and member services representatives must be trained in the geography of any/all GSA(s) in which the Contractor holds a Contract, and must have access to mapping search engines and/or applications for the purposes of authorizing services in, recommending providers in, and transporting members to, the most geographically appropriate location.

The Contractor shall provide the appropriate staff representation for attendance and participation in meetings and/or events scheduled by AHCCCS. AHCCCS may require attendance by subcontractors when deemed necessary. All meetings shall be considered mandatory unless otherwise indicated.

Preventing Suicide Among AHCCCS Members: The Contractor shall require its staff who have direct contact with members (e.g. Contractor care managers, customer/member service staff) to be trained in identification of suicide risk using nationally recognized training materials (e.g. SafeTalk).

16. WRITTEN POLICIES AND PROCEDURES

The Contractor shall develop and maintain written policies and procedures for each functional area consistent in format and style. The Contractor shall maintain written guidelines for developing, reviewing and approving all policies and procedures. All policies and procedures shall be reviewed by the Contractor at least annually to ensure that the Contractor's written policies reflect current practices. All medical and quality management policies shall be approved and signed by the Contractor's Medical Director/Chief Medical Officer. All other policies shall be dated and signed by the Contractor's Administrator or appropriate executive officer or minutes shall be held on file reflecting the review and approval of the policies by an appropriate committee, chaired by the Contractor's Chief Executive Officer/Administrator, Medical Director/Chief Medical Officer, or Chief Financial Officer.

If AHCCCS deems a Contractor's policy or process to be inefficient and/or place an unnecessary burden on members or providers, the Contractor shall work with AHCCCS to change the policy or procedure within a time period specified by AHCCCS. The Contractor shall have effective procedures in place for the periodic updating and revision of the policies to include the prompt and accurate communication of these revisions to subcontractors and documentation of the location in the policies of content required under this Contract, which shall be submitted to AHCCCS upon request.

The Contractor shall ensure an effective referral and intake process is in place for behavioral health services. The Contractor shall implement processes for referral and intake for behavioral health service provision as specified in AMPM Policy 580.

17. MEMBER INFORMATION

In addition to compliance with other pertinent Federal laws and regulations, the Contractor shall ensure its member communications comply with Title VI of the Civil Rights Act of 1964, Section 1557 of the Affordable Care Act, 45 CFR Part 92, 42 CFR Part 457, 42 CFR Part 438, and related State requirements including ACOM Policy 404, ACOM Policy 406 and ACOM Policy 433. The Contractor shall ensure that it takes reasonable steps to provide meaningful access to each

individual with Limited English Proficiency eligible to be served or likely to be encountered in its health programs and activities. As part of this obligation, the Contractor shall identify the prevalent non-English languages spoken by members in its service area and develop and implement an effective written language access plan as specified in, Section F, Attachment F3, Contractor Chart of Deliverables. Language assistance services must be provided free of charge, be accurate and timely, and protect the privacy and independence of the individual with Limited English Proficiency [45 CFR 92.201(c)]. For significant communications and publications, the Contractor shall comply with the nondiscrimination notice provisions in 45 CFR 92.8. In addition to the general requirements set forth in the Member Information section, the Contractor shall implement all other activities necessary to comport with Federal and State requirements [42 CFR 438.408(d)(1), 42 CFR 438.10].

The Contractor shall provide members the Contractor's toll free and TTY/TDY telephone numbers for customer service which shall be available during normal business hours. In addition, the Contractor shall provide members the Contractor's toll free TTY/TDY nurse triage line telephone number which shall be available 24 hours a day, 7 days a week. The Contractor is prohibited from having separate phone numbers for physical health and behavioral health services or issues.

All informational materials prepared by the Contractor shall be approved by AHCCCS as specified in Section F, Attachment F3, Contractor Chart of Deliverables Contractor Chart of Deliverables. Refer to ACOM Policy 404 and ACOM Policy 406 for further information and requirements for member communications.

The Contractor shall make interpretation services available to its members free of charge including: written translation of vital materials in prevalent non English languages in its service area, availability of oral interpretation services in all languages, and use of auxiliary aids such as TTY/TDY and American Sign Language [42 CFR 457.1207, 42 CFR 438.10(d)(4)].

The Contractor shall notify its members of the following upon request and at no cost:

1. That oral interpretation is available for any language,
2. That written translation is available in each of the prevalent non-English languages in the Contractor's service area,
3. That auxiliary aids and services are available for members with disabilities, and
4. How members may access the services above [42 CFR 457.1207, 42 CFR 438.10(d)(5)].

All written materials to members must be written in easily understood language, use font size of at least 12 points, and be available in alternative formats and through provision of auxiliary aids and services that take into account the special needs of members with disabilities or Limited English Proficiency. All written materials must also include large print taglines and information (in font size of at least 18 point) explaining how to request auxiliary aids and services, including the provision of materials in alternative formats [42 CFR 457.1207, 42 CFR 438.10(d)(6)].

The Contractor shall make its written materials that are critical to obtaining services (also known as vital materials) available in the prevalent non-English language spoken for each LEP population in the Contractor's service area [42 CFR 457.1207, 42 CFR 438.10(d)(3)]. These written materials must also be made available in alternate formats upon request at no cost. Auxiliary aids and services must also be made available upon request and at no cost.

Additionally, the materials shall include taglines in the prevalent non-English languages in Arizona and include large print (font size of at least 18 point) explaining the availability of written translation or oral interpretation services to understand the information with the Contractor's toll free and TTY/TDY telephone numbers for customer service. Oral interpretation services shall not substitute for written translation of vital materials. Vital materials include, at a minimum, the following:

1. Member Handbooks,
2. Provider Directories,
3. Consent forms,
4. Appeal and Grievance Notices, and
5. Denial and Termination Notices.

When there are program changes, notification shall be provided to members at least 30 days before implementation [42 CFR 457.1207, 42 CFR 438.10(g)(4)].

For consistency in the information provided to members, the Contractor is required to utilize the AHCCCS-developed definitions for managed care terminology [42 CFR 457.1207, 42 CFR 438.10]. Refer to ACOM Policy 406.

Translation Services: The Contractor shall provide translation services as follows: Translate all member informational materials when a language other than English is spoken by 3,000 individuals or 10%, whichever is less, of members in a geographic area who also have Limited English Proficiency LEP, and translate all vital materials when a language other than English is spoken by 1,000 or 5%, whichever is less, of members within the assigned geographic service area who also have LEP [42 CFR 438.10(c)(3)].

Vital materials must include, but are not limited to the following:

1. Member Handbooks,
2. Notices of Action,
3. Notices of Appeal Resolution,
4. Consent forms,
5. Member Notices,
6. Communications requiring a response from the member,
7. Grievance, appeal and request for State fair hearing information, and
8. Written notices informing members of their right to interpretation and translation services.

Oral interpretation services must be available and at no cost to all members and potential members regardless of the prevalence of the language. The Contractor must notify all members and potential members of their right to access oral interpretation services and how to access them. Refer to ACOM Policy 404 [42 CFR 438.10(c)(4)-(5)].

Social Networking Activities: The Contractor shall participate in Social Networking Activities to support learning and engagement. The Contractor shall adhere to the requirements for Social Networking Activities as specified in ACOM Policy 425 and submit deliverables as specified in Section F, Attachment F3, Contractor Chart of Deliverables.

Member Identification Cards: The Contractor is responsible for the production, distribution, and cost of AHCCCS Member Identification (ID) Cards and the AHCCCS Notice of Privacy

Practices in accordance with ACOM Policy 433. The Contractor shall submit Member ID Cards for AHCCCS approval as specified in Section F, Attachment F3, Contractor Chart of Deliverables.

Member Handbooks: The Contractor has the option of providing the Member Handbook in hard copy format with the new member packet, or providing the member written notification of how the Member Handbook information is available to the member on the Contractor's website, via electronic mail or via postal mailing [42 CFR 438.10(g)(3)(i)-(iv)].

A Member Handbook serves as a summary of benefits and coverage. The Contractor shall review and update the Member Handbook at least once a year and the Member Handbook must be submitted to AHCCCS for approval as specified in Section F, Attachment F3, Contractor Chart of Deliverables.

The Contractor shall require network providers to have Contractor's Member Handbooks available and easily accessible to members at all provider locations. The Contractor shall provide, upon request, a copy of the Contractor's Member Handbook to known peer and family advocacy organizations and other human service organizations within the Contractor's assigned geographical service area.

The Contractor is required to use the State developed model Member Handbook (refer to ACOM Policy 406). The content of the Member Handbook must include information that enables the member to understand how to effectively use the managed care program and at a minimum, shall include the information provided in ACOM Policy 406 [42 CFR 438.10(g)(1)-(2), 42 CFR 457.1207, 42 CFR 438.10(c)(4)(ii), 45 CFR 147.200(a)].

For SMI members receiving physical health care services under this Contract, the Contractor shall comply with Section D, Paragraph 17, Member Information, and include within a designated section in the Member Handbook the Member Handbook requirements specified in ACOM Policy 406.

The Contractor shall include information in the Member Handbook and other printed documents to educate members about the availability and accessibility of covered services and that behavioral health conditions may be treated by the member's Primary Care Provider (PCP) within their scope of practice. The Contractor shall have information available for potential members as specified in ACOM Policy 404 and ACOM Policy 406, and 42 CFR 438.10(e)(2).

The Contractor shall provide the Member Handbook to each member/representative or household within 12 business days of receipt of notification of the enrollment date [42 CFR 438.10(g)(3)(i)-(iv)]. For members receiving behavioral health care services only, provide the Member Handbook to each member/representative or household within 12 business days of receipt of initial behavioral health covered services [42 CFR 438.10].

Member Rights: On an annual basis, the Contractor shall, inform all members of their right to request the below information: [42 CFR 457.1220, 42 CFR 438.10(g)(2)(ix), 42 CFR 438.100(a)(1)-(2), and 42 CFR 438.100(b)(2)]. This information may be sent in a separate written communication or included with other written information such as in a member newsletter.

1. An updated Member Handbook at no cost to the member, and
2. The Provider Directory as specified in ACOM Policy 406.

The Contractor shall ensure compliance with any applicable Federal and State laws that pertain to member rights and ensure that its staff and subcontractors take those rights into account when furnishing services to members [42 CFR 438.100 et. seq].

The Contractor shall ensure that each member is free to exercise their rights and that the exercise of those rights does not adversely affect the way the Contractor or its subcontractors treat the member [42 CFR 457.1220, 42 CFR 438.100(a)(1), and 42 CFR 438.100(c)].

Provider Directory: The Contractor has the option of providing the Provider Directory in hard copy format or providing written notification of how the Provider Directory information is available on the Contractor's website, via electronic mail, or via postal mailing as specified in ACOM Policy 406 [42 CFR 457.1207, 42 CFR 438.10].

The Provider Directory shall at a minimum, include those items listed in ACOM Policy 404 and ACOM Policy 406 [42 CFR 438.10(f)(4)]. The Contractor shall distribute provider directories and any available periodic updates to CMDP and AIHP for distribution to the PCPs if a Contractor does not maintain a centralized referral and intake system as the sole mechanism for receiving behavioral health referrals. The Provider Directory must be made available on the Contractor's website in a machine readable file and format as specified by the Secretary [42 CFR 457.1207, 42 CFR 438.10(h)(4)]. The Contractor must give written notice about termination of a contracted provider, within 15 days after receipt or issuance of the termination notice, to each member who received their primary care from, or is seen on a regular basis by, the terminated provider [42 CFR 457.1207, 42 CFR 438.10(f)(1)].

The Contractor shall have information available for potential members as specified in ACOM Policy 404 and ACOM Policy 406 [42 CFR 438.10(f)(4)].

Maternal Child Health and Early and Periodic Screening, Diagnostic, and Treatment Member Outreach: The Contractor shall conduct written and other member educational outreach related to Maternal Child Health (MCH) and Early and Periodic Screening, Diagnostic, and Treatment (EPSDT) as specified in AMPM Chapter 400 and AMPM Exhibit 400-3.

Member Newsletters: The Contractor shall develop and distribute, at a minimum, two member newsletters during the Contract Year. Member Newsletters must be developed in accordance with ACOM Policy 404. All informational materials prepared by the Contractor shall be approved by AHCCCS as specified in Section F, Attachment F3, Contractor Chart of Deliverables.

Health Education and Health Promotion Services: The Contractor shall provide:

1. Assistance and education for appropriate use of health care services,
2. Assistance and education about health risk-reduction and healthy lifestyle choices including tobacco cessation,
3. Screening for tobacco use with the Ask, Advise, and Refer model and refer to the Arizona Smokers Helpline utilizing the proactive referral process,
4. Education to SMI members to access Contractor's Nurse call service,
5. Assistance and education for self-care and management of health conditions, including wellness coaching,
6. Assistance and education for EPSDT services for members including identifying providers that are trained and use AHCCCS approved developmental screening tools,
7. Education and health promotion for dental/oral health services,

8. Assistance and education about maternity care programs and services, for pregnant women including family planning, and
9. Assistance and education about self-help programs or other community resources that are designed to improve health and wellness.

The Contractor shall conduct activities aimed at changing or maintaining people's behavior for the benefit of individuals and society as a whole. It may include the use of health communication, health education, promotions, incentives, the use of traditional and new media, and participation or sponsorship of community events. These activities may be funded through the Contractor's non-Medicaid administrative funds, grant funds, or other sources as authorized by the Division. The Contractor must designate a Health Promotion point of contact who is responsible for implementation and oversight of all health promotion activities.

The Contractor shall develop and submit a Health Promotion Plan, as specified in Section F, Attachment F3, Contractor Chart of Deliverables which includes but is not limited to:

1. A listing of all Health Promotion activities, including sponsorships,
2. A listing of incentive items to be utilized during the Contract Year, including picture of item, purpose, target population, cost (value of incentive items shall not exceed \$15.00) and source,
3. Strategies to engage and inform persons of the availability and accessibility of services as well as strategies to influence behavior change towards healthy lifestyles,
4. Strategies to collect, analyze, track, and trend data to evaluate the effectiveness of health promotion activities, utilizing penetration rates and other quality management performance measures, and
5. Identification of the Health Promotion point of contact.

The Contractor shall submit for pre-approval the Health Promotion items referenced below, as specified in Section F, Attachment F3, Contractor Chart of Deliverables:

1. **Event and Sponsorship Requests:** Including the event name, date, location, address, healthcare related goal of event or sponsorship and dollar amount of the participation.
2. **Materials/Handouts:** The Contractor may distribute health promotion materials developed based on information from a recognized organization without prior AHCCCS approval. For a list of approved recognized organizations, refer to ACOM Policy 404, Attachment A.
3. **Incentive items/Giveaways:** Including picture of item, purpose, target population, cost (value not to exceed \$15.00), and source.
4. **Press Releases:** Press releases that do not include Contractor-specific information related to the AHCCCS Medicaid Contract (e.g. benefits, how to enroll, provider network) do not require prior AHCCCS approval. All other press releases must be submitted for AHCCCS prior approval.

The Contractor shall coordinate with AHCCCS in promoting Health Promotion initiatives. Include an approved funding statement on all advertisements, publications, printed materials and Health Promotion materials produced by the Contractor that refer to covered services for Title XIX/XXI members: "Contract services are funded, in part, under Contract with the State of Arizona."

The Contractor shall not make, authorize, or distribute any inaccurate or misleading assertion or statement, such as the Contractor is endorsed by CMS, the Federal or State government or similar entity. The Contractor shall conform to the requirements of ACOM Policy 425 in its use of Social Networking Platforms for the purposes of Health Promotion. Materials must not include words such as “join”, “enroll”, “sign up” or similar verbiage unless approved by AHCCCS. If the Contractor intends to use such language in the materials or script, the request for approval must explain how the message is related to a social marketing goal.

The following Health Promotion activities are prohibited:

1. Health Promotion for the purposes of Marketing,
2. Health Promotion used to promote the Contractor brand,
3. Promotional materials, incentives, or any other activity to influence enrollment in conjunction with the sale or offering of any private insurance,
4. Utilization of the word “free” in reference to covered services is prohibited (“at no cost” is acceptable),
5. Any promotional item (give-away) to the general public by the Contractor with a value exceeding \$15.00,
6. Non-health related promotional items unless including a health message (e.g. Don’t Smoke, Get Your Flu Shot, Crisis Line info),
7. Use of the AHCCCS logo (unless approved in writing by AHCCCS),
8. Inaccurate, misleading, confusing or negative information about AHCCCS or the Contractor and any information that may defraud members or the public,
9. Discriminatory practices as specified in the Arizona Administrative Code R9-22-504 and R9-31-504, Marketing, Prohibition Against Inducements, Misrepresentations, Discrimination, Sanctions, and
10. AHCCCS reserves the right to impose additional restrictions.

Website Requirements: The Contractor shall develop and maintain a website that is focused, informational, user-friendly, functional, and provides the information as required in ACOM Policy 404 and submit deliverables as specified in Section F, Attachment F3, Contractor Chart of Deliverables.

As required by 42 CFR 438.10(c)(3), AHCCCS provides a direct URL website hyperlink to the below information to members via the AHCCCS website. The Contractor shall provide notification to AHCCCS when there is a change in a URL for this information as specified in Section F, Attachment F3, Contractor Chart of Deliverables.

1. Contractor’s main Arizona Medicaid website,
2. Contractor’s Member Handbook , and
3. Contractor’s Formulary.

The Contractor shall provide resources including a listing of specialized Autism Spectrum Disorder (ASD) providers to inform members with ASD how to access specialized services. At a minimum, the listing shall include the following fields: Group, Address, Phone Number, Doctor Name, Type, and Specialized Age Range. The Contractor shall publish this information on its website and submit the information to AHCCCS as specified in Section F, Attachment F3, Contractor Chart of Deliverables.

18. SURVEYS

The Contractor may be required to perform surveys at AHCCCS' request. AHCCCS may provide the survey tool or require the Contractor to develop the survey tool. The final survey tool shall be approved in advance by AHCCCS as specified in Section F, Attachment F3, Contractor Chart of Deliverables. The results and the analysis of the results shall be submitted as specified in Section F, Attachment F3, Contractor Chart of Deliverables. Survey results are to be reported separately by Title XIX and Title XXI categories and in aggregate. The Contractor shall utilize member survey findings to improve care for Title XIX and Title XXI members.

As specified in Section F, Attachment F3, Contractor Chart of Deliverables, the Contractor is required to perform periodic surveys of its membership, as specified in ACOM Policy 424, in order to verify that members have received services that have been paid for by the Contractor and to identify potential service/claim fraud [42 CFR 455.20 and 42 CFR 433.116]. The Contractor, or its subcontractor if the Contractor has delegated its responsibilities for coverage of services and payment of claims, shall perform these surveys [42 CFR 457.1285, 42 CFR 438.608(a)(5)].

For non-AHCCCS required surveys, the Contractor shall provide notification as specified in Section F, Attachment F3, Contractor Chart of Deliverables, prior to conducting any Contractor initiated member or provider survey. The notification must include a project scope statement, project timeline and a copy of the survey. Survey results are to be reported separately by Title XIX and Title XXI categories and in aggregate. The Contractor shall utilize member survey findings to improve care for Title XIX and Title XXI members. The results and analysis of the results of any Contractor initiated surveys shall be submitted as specified in, Section F, Attachment F3, Contractor Chart of Deliverables. Surveys performed by the Contractor to evaluate Plan satisfaction for previous members (exit surveys), are subject to the above notification requirement for non-AHCCCS required surveys and are not subject to AHCCCS Marketing Committee approval.

AHCCCS may conduct surveys of a representative sample of the Contractor's membership and/or providers. The results of AHCCCS conducted surveys will become public information and available to all interested parties on the AHCCCS website. The Contractor may be responsible for reimbursing AHCCCS for the cost of such surveys based on its share of AHCCCS enrollment.

The Contractor shall participate in the delivery and/or results review of member surveys as requested by AHCCCS. Surveys may include Home and Community Based (HCBS) Member Experience surveys, HEDIS Experience of Care (Consumer Assessment of Healthcare Providers and Systems–CAHPS) surveys, and/or any other tool that AHCCCS determines will benefit quality improvement efforts.

While not included as an official performance measure, survey findings or performance rates for survey questions may result in the Contractor being required to develop a Corrective Action Plan (CAP) and/or participate in technical assistance or AHCCCS-led workgroups to improve any areas of concern noted by AHCCCS. Failure to effectively develop or implement AHCCCS-approved CAPs and drive improvement may result in additional regulatory action by AHCCCS. The Contractor shall submit the Member Survey Notification and Results to AHCCCS, as specified in Section F, Attachment F3, Contractor Chart of Deliverables.

19. CULTURAL COMPETENCY

The Contractor shall participate in AHCCCS' efforts to promote, and shall implement a program that promotes, the delivery of services in a culturally competent manner to all members, including those with Limited English Proficiency and diverse cultural and ethnic backgrounds, disabilities, and regardless of gender, sexual orientation or gender identity and meets the requirements of ACOM Policy 405 [42 CFR 457.1230(a), 42 CFR 438.206(c)(2)].

The Contractor shall develop and implement a Cultural Competency Plan which meets the requirements of ACOM Policy 405. An annual assessment of the effectiveness of the Cultural Competency Plan, along with a language services report and any modifications to the Plan, must be submitted as specified in Section F, Attachment F3, Contractor Chart of Deliverables.

20. MEDICAL RECORDS

The member's medical record shall be maintained by the provider who generates the record. Medical records include those maintained by Primary Care Providers (PCPs) or other providers, including but not limited to those medical records kept in placement settings such as nursing facilities, assisted living facilities, other home and community based providers, and Therapeutic Foster Care (TFC) licensing agencies.

The Contractor shall ensure that each member is guaranteed the right to request and receive one copy of the member's medical record at no cost to the member. The Contractor shall have written policies guaranteeing each member's right to request and receive a copy of his or her medical records, and to request that the medical record be amended or corrected [45 CFR Part 160, 164, 42 CFR 457.1220, 42 CFR 438.100(a)(1), 42 CFR 438.100(b)(2)(vi)]. The Contractor shall have written policies and procedures to maintain the confidentiality of all medical records.

The Contractor is responsible for ensuring that a medical record (hard copy or electronic) is established when information is received about a member. If the provider has not yet seen the member such information may be kept temporarily in an appropriately labeled file, in lieu of establishing a medical record, but must be associated with the member's medical record as soon as one is established.

The Contractor shall require subcontracted service providers maintain legible, signed, and dated medical records. The Contractor shall ensure medical records are written in a detailed and comprehensive manner which conform to professional standards; comply with record retention requirements; permits effective medical review and audit processes; and which facilitate an adequate system for follow-up treatment.

The Contractor shall require subcontracted service providers to create a medical record when information is received about a member. If the PCP has not yet seen the member, such information may be kept temporarily in an appropriately labeled file, in lieu of establishing a medical record, but must be associated with the member's medical record as soon as one is established.

Medical records shall be maintained in a detailed and comprehensive manner, which conforms to professional standards, complies with records retention requirements, and permits effective medical review and audit processes, and which facilitates an adequate system for follow-up treatment. The Contractor shall have written policies and procedures for the maintenance of

medical records to ensure those records are documented accurately and in a timely manner, are readily accessible, and permit prompt and systematic retrieval of information and which comply with AMPM Policy 940 and AMPM Policy 550. The Contractor shall ensure that providers maintain and share a member health record in accordance with professional standards [42 CFR 457.1230(c), 42 CFR 438.208(b)(5)].

The Contractor shall retain consent and authorization for medical records as prescribed in A.R.S. §12-2297 and in conformance with AHCCCS Policy.

The Contractor shall have written policies and procedures to ensure that MSICs have an integrated electronic medical record for each member that is maintained and available for the multi-specialty treatment team and community providers. An integrated electronic medical record shall contain all information necessary to facilitate the coordination and quality of care delivered by multiple providers in multiple locations at varying times.

The Contractor shall create written plans for providing training and evaluating providers' compliance with the Contractor's medical records' standards comply with medical record review requirements as specified in AMPM Policy 940 and shall comply with record retention requirements as specified in Section D, Paragraph 59, Record Retention.

For care coordination purposes, medical records must be shared with other care providers, such as the multi-specialty interdisciplinary team.

When a member changes PCPs, his or her medical records or copies of medical records must be forwarded to the new PCP within 10 business days from receipt of the request for transfer of the medical records.

The Contractor shall comply with medical record review requirements as specified in in AMPM Policy 940.

The Contractor shall comply with record retention requirements as specified in Section D, Paragraph 59 Record Retention.

AHCCCS is not required to obtain written approval from a member before requesting the member's medical record from the PCP or any other organization or agency. The Contractor may obtain a copy of a member's medical records without written approval of the member if the reason for such request is directly related to the administration of the AHCCCS program. AHCCCS shall be afforded access to all members' medical records whether electronic or hard copy within 20 business days of receipt of request or more quickly if necessary.

The Contractor shall comply with Federal and State confidentiality statutes, rules, and regulations to protect medical records and any other personal health information that may identify a particular member or subset of members and shall establish and implement policies and procedures consistent with the confidentiality requirements in 42 CFR 431.300 et. seq., 42 CFR 438.208(b)(2) and (b)(4), 42 CFR 438.224, 45 CFR parts 160 and 164, 42 CFR part 2, and A.R.S. §36-509, for medical records and any other health and member information that identifies a particular member.

The Contractor shall have the discretion to obtain a copy of a member's medical records without written approval of the member, if the reason for such request is directly related to the

administration of service delivery. The Contractor shall have the discretion to release information related to fraud, waste and program abuse so long as protected HIV-related information is not disclosed A.R.S. §36-664, and substance abuse information shall only be disclosed consistent with Federal and State law, including but not limited to [42 CFR 2.1 et seq.].

21. ADVANCE DIRECTIVES

The Contractor shall maintain policies and procedures addressing advance directives for adult members as specified in 42 CFR 438.3(j) and 42 CFR 422.128 and AMPM Policy 640.

1. Each contract or agreement with a hospital, nursing facility, hospice, and providers of home health care or personal care services must comply with Federal and State law regarding advance directives for adult members [42 CFR 438.3(j)(1)]. Requirements include:
 - a. Maintain written policies that address the rights of adult members to make decisions about medical care, including the right to accept or refuse medical care, and the right to execute an advance directive. If the agency/organization has a conscientious objection to carrying out an advance directive, it must be explained in policies. A health care provider is not prohibited from making such objection when made pursuant to A.R.S. §36-3205.C.1,
 - b. Provide written information to adult members regarding an individual's rights under State law to make decisions regarding medical care, and the health care provider's written policies concerning advance directives, including any conscientious objections [42 CFR 438.3(j)(3)],
 - c. Documenting in the member's medical record whether or not the adult member has been provided the information, and whether an advance directive has been executed,
 - d. Preventing discrimination against a member because of his or her decision to execute or not execute an advance directive, and not place conditions on the provision of care to the member, because of his/her decision to execute or not execute an advance directive, and
 - e. Providing education to staff on issues concerning advance directives including notification of direct care providers of services, such as home health care and personal care services, if any advance directives are executed by members to whom they are assigned to provide services.
2. The Contractor shall require PCPs, which have agreements with the entities specified above, to comply with the requirements of subparagraphs 1 (a) through (e) above.
3. The Contractor shall require health care providers specified in subparagraph 1 above to provide a copy of the member's executed advance directive, or documentation of refusal, to the member's PCP for inclusion in the member's medical record and, provide education to staff on issues concerning advance directives.
4. The Contractor shall provide written information to adult members and when the member is incapacitated or unable to receive information, the member's family or surrogate as defined in A.R.S. §36-3231 regarding the following [42 CFR 422.128]:
 - a. A member's rights regarding advance directives under Arizona State law,
 - b. The organization's policies regarding the implementation of those rights, including a statement of any limitation regarding the implementation of advance directives as a matter of conscience,
 - c. A description of the applicable State law and information regarding the implementation of these rights, and

- d. The member's right to file complaints directly with AHCCCS.
- e. Written policies including a clear and precise statement of limitations if the provider cannot implement an advance directive as a matter of conscience. This statement, at a minimum must do the following:
 - i. Clarify institution-wide conscientious objections and those of individual physicians,
 - ii. Identify State legal authority permitting such objections,
 - iii. Describe the range of medical conditions or procedures affected by the conscience objection, and
 - iv. Changes to State law as soon as possible, but no later than 90 days after the effective date of the change [42 CFR 438.3(j)(4)].
5. Written information regarding advance directives shall be provided to members at the time of enrollment with the Member Handbook. Refer to ACOM Policy 404 and ACOM Policy 406 for member information and Member Handbook requirements.
6. The Contractor is not relieved of its obligation to provide the above information to the individual once he or she is no longer incapacitated or unable to receive such information. Follow-up procedures must be in place to provide the information to the individual directly at the appropriate time.

22. QUALITY MANAGEMENT AND PERFORMANCE IMPROVEMENT

General Requirements: The Contractor shall provide quality medical care and services to members, regardless of payer source or eligibility category. The Contractor shall promote improvement in the quality of care provided to enrolled members through established Quality Management and Performance Improvement (QM/PI) processes. The Contractor shall execute processes to monitor, analyze, plan, implement, evaluate, and report QM/PI activities, as specified in the AMPM [42 CFR 457.1240(b), 42 CFR 457.1240(f), 42 CFR 457.1201(n)(2), 42 CFR 438.330(a)(1) and (e), 42 CFR 438.330(a)(3), 42 CFR 438.330(b), 42 CFR 438.330(e)(1), 42 CFR 438.330(e)(2)]. Refer to Section F, Attachment F3, Contractor Chart of Deliverables.

The Contractor shall undergo annual, external independent reviews of the quality of, timeliness of, and access to services covered under the Contract [42 CFR 457.1250(a), 42 CFR 457.1240(f), 42 CFR 457.1201(n)(2), 42 CFR 438.320, 42 CFR 438.350]. AHCCCS will utilize an External Quality Review Organization (EQRO) for purposes of independent review of its Contractors and related AHCCCS oversight. External quality reviews will be conducted by an EQRO [42 CFR 438.358]. Direct engagement at the Contractor level may occur, at the discretion or invitation of AHCCCS.

The Contractor shall ensure that the QM/PI Unit within the organizational structure is separate and distinct from any other units or departments such as Medical Management or Contractor Care Management. The Contractor is expected to integrate QM/PI processes, such as tracking and trending of issues, throughout all areas of the organization, with ultimate responsibility for QM/PI residing within the Quality Management Unit.

QM/PI positions performing work functions related to the Contract shall have a direct reporting relationship to the local Chief Medical Officer (CMO)/Medical Director and the local Chief Executive Officer (CEO). The local CMO and CEO shall have the ability to direct, implement, and prioritize interventions resulting from QM/PI activities and investigations. Contractor staff, including Administrative Services Subcontractors' staff which perform functions under this

Contract related to QM/PI, shall have the work directed and prioritized by the Contractor's local CMO and CEO.

The Contractor shall maintain and execute policies and procedures describing the implementation of comprehensive and coordinated delivery of integrated physical and behavioral health services, including administrative and clinical integration of health care service delivery. Integration strategies and activities shall focus on improving individual health outcomes, enhancing care coordination including care coordination for Medication Assisted Treatment (MAT), and increasing member satisfaction.

The Contractor's QM/PI Programs, at a minimum, shall comply with the requirements specified in AMPM, ACOM, State and Federal Requirements, and this Section.

Quality Management/Performance Improvement Program: The Contractor shall have an ongoing QM/PI Program for the services it furnishes to members, regardless of payor source or eligibility category [42 CFR 457.1240(b), 42 CFR 438.330(a)(1), 42 CFR 438.330(a)(3)].

The Contractor's QM/PI program shall be designed to achieve and sustain, through ongoing measurements and intervention, significant improvement in the areas of clinical care and nonclinical care which is expected to have a favorable effect on health outcomes and member satisfaction, as specified in AMPM Chapter 900 [42 CFR 328.330(a)(1), 42 CFR 438.330(b)(1)-(2)].

The Contractor shall:

1. Measure and report to the State, its performance, using standard measures required by the State or as required by Centers for Medicare and Medicaid Services (CMS) [42 CFR 438.330(c)(1)(i), 42 CFR 438.330(c)(2)(i)],
2. Submit specified data to the State that enables the State to measure the Contractor's performance using standardized measures, as specified by the State [42 CFR 438.330(c)(1)(i)-(ii), 42 CFR 438.330(c)(2)(ii)], or
3. Perform a combination of the above activities [42 CFR 438.330(c)(2)(iii)].

The Contractor's QM/PI Program shall include, but is not limited to:

1. Implementation, monitoring, evaluation, and compliance with applicable requirements in the ACOM and AMPM,
2. Provision of quality care and services to eligible members, regardless of payor source or eligibility category,
3. Contractor written policies and training regarding preventing abuse, neglect, and exploitation, ensuring incident stabilization (member(s) immediate health and safety is secured and immediate care and recovery needs are identified and provided), reporting incidents, and conducting investigations,
4. Monitoring for provider compliance with policies, training, and signage requirements aimed at preventing and reporting abuse, neglect, and exploitation as specified in the AHCCCS Minimum Subcontract Provisions and Contract. Refer also to the Report of the Abuse & Neglect Prevention Task Force to Governor Douglas A. Ducey ((November 1, 2019)) developed in response to Executive Order 2019-03,

5. Mechanisms to assess the quality and appropriateness of care furnished to members with special health care needs, as specified in Contract [42 CFR 457.1240(b), 42 CFR 438.330(b)(4), and 42 CFR 438.340],
6. Demonstration of improvement in the quality of care and services provided to members through established QM/PI processes,
7. Analysis of the effectiveness of implemented interventions, to include targeted interventions, to address the unique needs of populations and subpopulations served [42 CFR 438.330(e)(2)],
8. Attendance and/or participation in applicable community initiatives, events, and/or activities as well as implementation of specific interventions to address overarching community concerns (including applicable activities of the Medicare Quality Improvement Organization (QIO), chronic disease management, behavioral health, justice population, opioid and substance use, suicide, veterans, and Social Determinants of Health (SDOH) including, but not limited to, homelessness, employment/community engagement, etc.),
9. Written policies regarding member rights and responsibilities [42 CFR 438.100(b)(1)],
10. Protection and confidentiality of medical records and any other personal health/enrollment information that identifies a particular member, or subset of members, in accordance with Federal and State privacy requirements, AMPM, and the Medical Records Contract section [42 CFR 438.224],
11. Compliance with requirements to assure member rights and responsibilities conform with AHCCCS policies on Title XIX/XXI Notice and Appeal Requirements, Special Assistance for Persons Determined to have a Serious Mental Illness (SMI), Notice and Appeal Requirements (SMI and Non-SMI), Member Grievance Resolution Process, and AMPM [42 CFR 457.1220, 42 CFR 438.100(a)(2), 42 CFR 438.228(a), 42 CFR 438.400(a), 42 CFR 438.402(a)]. The Contractor shall also comply with any other applicable Federal and State laws (such as Title VI of the Civil Rights Act of 1964), including other laws regarding privacy and confidentiality [42 CFR 457.1220, 42 CFR 438.100(d)],
12. Development and maintenance of mechanisms to solicit feedback and recommendations from key stakeholders, subcontractors, members, and family members to:
 - a. Monitor service quality, and
 - b. Develop strategies to improve member outcomes and quality improvement activities related to quality of care and system performance.
13. Employment of sufficient, knowledgeable, and qualified local staff and utilization of appropriate resources to achieve Contractual compliance. The Contractor's resource allocation must be adequate to achieve quality outcomes. Staffing adequacy will be evaluated based on outcomes and compliance with contractual and AHCCCS Policy requirements,
14. Local staff available 24 hours per day, seven days per week, to work with AHCCCS and/or other State agencies on urgent issue resolutions, such as Arizona Department of Health Services (ADHS)/Bureau of Medical Facilities. Urgent issue resolutions include Immediate Jeopardies (IJ), fires, or other public emergency situations. These staff shall have:
 - a. Access to information necessary to identify members who may be at risk, including the identified members' current health/service status,
 - b. The ability to initiate new placements/services,
 - c. The ability to perform status checks at affected facilities, and
 - d. Perform ongoing monitoring, if necessary.
15. Uniform provisional credentialing, initial credentialing, re-credentialing and organizational credentialing for all provider types that shall comply with the requirements specified in

- AMPM, ACOM, State and Federal requirements, and this section [42 CFR 457.1208, 42 CFR 457.1233(a), 42 CFR 438.206(b)(6), 42 CFR 438.12(a)(2), 42 CFR 438.214(b)],
16. Tracking and trending of member and provider issues, which includes, but is not limited to, investigation and analysis of quality of care issues, related to: abuse, neglect, exploitation, suicide attempts, substance use disorders/opioid-related concerns, alleged human rights violations, and unexpected deaths. The Contractor shall comply with requirements, as specified in AMPM Policy 960,
 17. Opioid Drug Utilization Review management in accordance with the Federal Opioid Legislation Support Act P.L 115-271 which includes the following:
 - a. Implementation of opioid safety edits by the Pharmacy Benefits Manager (PBM) at the Point-of-Sale,
 - b. Monitoring of member utilization when the cumulative current utilization of opioid(s) is a Morphine Daily Equivalent Dose of greater than 90,
 - c. Monitoring of members with concurrent utilization of an opioid(s) in conjunction with a benzodiazepine(s) and/or an antipsychotic(s),
 - d. Monitoring of antipsychotic prescribing for children,
 - e. Monitoring of fraud, waste, and abuse by enrolled members, pharmacies and prescribing clinicians, and
 - f. Reporting of Opioid Drug Utilization Review management activities for 15. a. through e. above as specified in Section F, Attachment F3, Contractor Chart of Deliverables.
 18. Submission of Inter-Rater Reliability (IRR) metrics and evidence of completed IRR activities, as specified in Section F, Attachment F1, Contractor Chart of Deliverables, for each of the following areas, at a minimum: triage, case leveling, and corrective actions,
 19. Submission of any cases involving Medicaid fraud, waste, or abuse reported to the AHCCCS Office of the Inspector General. Refer to Section D, Paragraph 58, Corporate Compliance,
 20. Requirement for any ADHS licensed or certified provider to submit to the Contractor their most recent ADHS licensure review, copies of substantiated complaints, and other pertinent information that is available and considered to be public information from oversight agencies. The Contractor shall monitor contracted providers for compliance with quality management measures including supervisory visits conducted by a Registered Nurse when a home health aide is providing services,
 21. Monitoring of services and service sites, as specified in AMPM Policy 910. The Contractor shall submit a Contractor Monitoring Summary, as specified in Section F, Attachment F3, Contractor Chart of Deliverables,
 22. QM/PI program monitoring and evaluation activities, which include:
 - a. Peer Review and QM/PI Committees that meet at least quarterly or more frequently, as needed (e.g. Ad Hoc Meeting or more frequently recurring meetings) and are chaired by the Contractor's local Chief Medical Officer/Medical Director, and
 - b. Other subcommittee(s) under the QM Committee, as required, or as a need is identified. AHCCCS reserves the right to be in attendance as a silent witness to requested Peer Review Meetings.
 23. Requirements for its QM Committee to proactively and regularly review member grievance and appeal data to identify:
 - a. Outlier members who have filed multiple complaints, grievances, or appeals regarding services, or against the Contractor, or
 - b. Members who contact governmental entities for assistance, including contact to AHCCCS for the purposes of assigning a care coordinator to assist the member in navigating the health care system.

24. Collection and submission of performance measure data, including any required by the State or CMS [42 CFR 457.1201(n)(2), 42 CFR 457.1240(b), 42 CFR 438.330(a)(2), 42 CFR 438.330(b)(2), 42 CFR 438.330(c)],
25. Mechanisms to detect both underutilization and overutilization of services [42 CFR 457.1240(b), 42 CFR 457.1240(f), 42 CFR 457.1201(n)(2), 42 CFR 438.330(b)(3)],
26. Implementation of processes to assess, plan, implement, and evaluate QM/PI activities related to the care and services provided to members, in conformance with AMPM requirements[42 CFR 438.330(a)(1), (b)(1)-(2)],
27. Performance measurement and performance improvement projects, as specified in this section, AMPM Policies 910, 970, and 980 [42 CFR 457.1240(b), 42 CFR 438.330(a)(2), 42 CFR 438.330(b)(1), 42 CFR 438.330(c), 42 CFR 438.330(d), 42 CFR 438.330(a)(2)],
28. Routine, and ad hoc, dissemination of subcontractor and provider quality improvement related information including performance metrics, dashboard indicators, and member outcomes to the State and key stakeholders, inclusive of members and family members,
29. A written QM/PI Program Plan in accordance with 42 CFR 438.330, AMPM Policy 920, and Section F, Attachment F3, Contractor Chart of Deliverables,
30. Timely, accurate, and complete submission of QM/PI Program deliverables that address strategies and performance for program activities, as specified in this section, AMPM, and Section F, Attachment F3, Contractor Chart of Deliverables.

Health Care-Acquired Conditions and Other Provider-Preventable Conditions: Federal regulation prohibits payment for Provider-Preventable Conditions that meet the definition of a Health Care-Acquired Condition (HCAC) or an Other Provider-Preventable Condition (OPPC). OPPC refers to a condition occurring in any health care setting and that meets the following criteria [42 CFR 434.6(a)(12)(i), 42 CFR 438.3(g), 42 CFR 447.26(a), 42 CFR 447.26(b), 42 CFR 447.26(c)]:

1. Is identified in the State plan,
2. Has been found by the State, based upon a review of medical literature by qualified professionals, to be reasonably preventable through the application of procedures supported by evidence-based guidelines,
3. Has a negative consequence for the beneficiary,
4. Is auditable, and
5. Includes, at a minimum, wrong surgical or other invasive procedure performed on a patient; surgical or other invasive procedure performed on the wrong body part; surgical or other invasive procedure performed on the wrong patient [42 CFR 447.26(b)].

If an HCAC or OPPC is identified, the Contractor must conduct a Quality of Care (QOC) investigation, as specified in AMPM Chapter 900, and report the occurrence to AHCCCS, as specified in Section F, Attachment F3, Contractor Chart of Deliverables [42 CFR 438.3(g), 42 CFR 434.6(a)(12)(ii), 42 CFR 447.26(d)].

Seclusion and Restraint: The Contractor shall adhere to Federal and State laws that govern member rights when delivering services, including (at a minimum) the protection and enforcement, of a person's right to be free from any form of restraint or seclusion used as a means of coercion, discipline, convenience, or retaliation [42 CFR 457.1220, 42 CFR 438.100(a)(1), 42 CFR 100(b)(2)(v)]. The Contractor shall follow local, State and Federal regulations and requirements related to Seclusion and Restraint (S&R). Reports regarding

incidents of S&R shall be submitted to AHCCCS as specified in AMPM Policy 962 and as specified in Section F, Attachment F3, Contractor Chart of Deliverables (A.R.S. §36-513, A.R.S. §41-3804).

Credentialing: The Contractor shall demonstrate that its providers are credentialed and reviewed through the Contractor's Credentialing Committee [42 CFR 457.1230(a), 42 CFR 438.206(b)(6)]. The Contractor shall refer to the AMPM Chapter 900 and Section F, Attachment F3, Contractor Chart of Deliverables for reporting requirements.

The Contractor shall comply with uniform provisional credentialing, initial credentialing, re-credentialing and organizational credentialing for all provider types as follows [42 CFR 457.1208, 42 CFR 457.1233(a), 42 CFR 438.206(b)(6), 42 CFR 438.12(a)(2), 42 CFR 438.214(b)]:

1. Document provisional credentialing, initial credentialing, re-credentialing and organizational credential verification of providers who have signed contracts or participation agreements with the Contractor or those that meet the requirements of AMPM Policy 950 [42 CFR 438.206(b)(1)-(2)],
2. Demonstrate that its providers are credentialed and reviewed through the Contractor's Credentialing Committee that is chaired by the Contractor's local Chief Medical Officer/Medical Director,
3. Comply with requirements as specified in AMPM Policy 950 and as specified in Section F, Attachment F3, Contractor Chart of Deliverables,
4. Not discriminate against particular providers that serve high-risk populations or specialize in conditions that require costly treatment, and
5. Not employ or contract with providers excluded from participation in Federal health care programs [42 CFR 457.1233(a), 42 CFR 438.214].

Credential Verification Organization Contract: The Arizona Association of Health Plans (AzAHP) has established a Contract with a Credential Verification Organization (CVO) that is responsible for:

1. Receiving completed applications, attestations and primary source verification documents, and
2. Conducting annual CVO entity site visits to ensure compliance with AHCCCS requirements.

The AHCCCS Contractor must utilize the contracted CVO as part of its credentialing and re-credentialing process, regardless of membership in the AzAHP. This requirement eases the administrative burden for providers that contract with AHCCCS Contractors which often results in duplicative submission of information used for credentialing purposes. The Contractor shall follow the AHCCCS re-credentialing timelines for providers that submit their credentialing data and forms to the AzAHP CVO.

The Contractor is responsible for completing the credentialing process. The Contractor shall continue to include utilization, performance, compliance, and quality of care documentation, as specified in the AMPM, to complete the credentialing or re-credentialing files that are brought to the Credentialing Committee for a decision. In addition, the Contractor shall also meet AMPM Policy 950 requirements for provisional credentialing.

Credentialing Timelines: The Contractor is required to process credentialing applications in a timely manner. To assess the timeliness of provisional and initial credentialing a Contractor shall calculate, report to AHCCCS, and notify providers of credentialing decision (approved or denied) as specified in AMPM Policy 950.

The Contractor shall ensure that they have a process in place to monitor occurrences which may have jeopardized the validity of the credentialing process, at a minimum, on an annual basis. The Contractor shall report the credentialing information with regard to all credentialing applications, as specified in Section F, Attachment F3, Contractor Chart of Deliverables.

Accreditation: The Contractor is required to inform AHCCCS/DHCM, Quality Improvement Team as to whether it has been accredited by a private independent accrediting entity. If the Contractor has received accreditation by a private independent accrediting entity, the Contractor shall provide AHCCCS a copy of its most recent accreditation review, including the following [42 CFR 457.1240(c), 42 CFR 438.332(a) and 42 CFR 438.332(b)(1)-(3):

1. Its accreditation status, survey type, and level (as applicable),
2. Recommended actions or improvements, Corrective Action Plans (CAPs), and summaries of findings, and
3. The expiration date of the accreditation.

This information shall be made available on the AHCCCS website [42 CFR 438.332(c)(1)]. Should the Contractor renew or lose its accreditation, the Contractor shall provide AHCCCS written notification (in the case of losing its accreditation) or a copy of the renewal certificate, as applicable, within 15 calendar days of notification or receipt from the accrediting entity.

National Committee for Quality Assurance: The Contractor shall achieve National Committee for Quality Assurance (NCQA) First Accreditation, inclusive of the NCQA Medicaid Module, specific to its Medicaid line of business by October 1, 2023; AHCCCS will adjust this timeline accordingly if funding is not available.

Incident, Accident, and Death Reporting: The Contractor shall develop and implement policies and procedures that require individual and organizational providers to report to the Contractor, the Regulator, and other appropriate authorities, Incident, Accident and Death (IAD) Reports in conformance with requirements established by AHCCCS and as specified in AMPM Policy 961. IAD Reports shall be submitted as specified in Attachment F3, Contractor Chart of Deliverables.

Quality of Care Concerns and Investigations: The Contractor shall establish and implement mechanisms to assess the quality and appropriateness of care provided to members, including members with special health care needs, [42 CFR 457.1230(c), 42 CFR 438.208(c)(4), 42 CFR 438.330(a)(1), 42 CFR 438.330(b)(4)]. The Contractor shall assess incidents for potential Quality of Care (QOC) concerns and develop a process that delineates between non-AHCCCS reportable events and AHCCCS-reportable events (which includes incidents of: Health Care-Acquired Conditions, Other Provider-Preventable Conditions, abuse, neglect, exploitation, injuries, high profile cases, suicide attempts, substance use disorders/opioid-related concerns, alleged human rights violations, and unexpected death). The Contractor shall develop a process to report incidents to AHCCCS as specified in Attachment F3, Contractor Chart of Deliverables.

The Contractor shall develop and implement policies and procedures that analyze quality of care issues through identifying the issue, initial assessment of the severity of the issue, and prioritization of action(s) needed to resolve immediate care needs when appropriate. The Contractor shall establish a process to ensure that all staff and providers are trained on how to refer suspected quality of care issues to quality management. This training must be provided during new employee orientation (within 30 days of hire) and annually, thereafter.

The Contractor shall monitor contracted providers for compliance with Quality Management metrics, as well as member health and safety; Clinical Quality Management staff shall lead all monitoring and investigative efforts. The Contractor shall establish mechanisms to track and trend member and provider issues. The Contractor must comply with requirements, as specified in Contract and AMPM Policy 960.

Subcontractor Monitoring: The Contractor shall develop and submit a Subcontractor Performance Monitoring Plan as a component of its QM/PI Program Plan, to include, language that addresses, at a minimum, the timely handling, completion, and submission of (in accordance with Contract and Policy requirements) the following quality management functions:

1. IAD Report,
2. QOC Concerns and investigations,
3. AHCCCS required Performance Measure calculations and reporting,
4. Performance Improvement Projects,
5. Provisional, initial, organizational, and re-credentialing processes and requirements,
6. Medical Record Reviews, and
7. Peer Review processes.

AHCCCS will accept the AzAHP review process to meet this audit requirement. A Corrective Action Plan (CAP) shall be developed and implemented when provider monitoring activities reveal poor performance, as follows:

1. When performance falls below the minimum performance level, or
2. Shows a statistically significant decline from previous period performance.

Provider Quality Monitoring: Provider Quality Monitoring functions include but are not limited to the service site assessments of all providers as specified in AMPM Policy 910. The Contractor shall conduct comprehensive onsite quality audits of each location where members receive services.

The Contractor shall ensure:

1. Instances where concerns are identified, corrective actions are implemented in order to bring the provider into compliance,
2. Any potential QOCs are immediately (within 24 hours) referred to the QOC triage team for review,
3. Utilization of standardized monitoring tools by provider type (utilizing AHCCCS-developed tools when available), and
4. Inter-Rater Reliability (IRR) of quality monitoring processes with documented testing and results of individuals completing provider quality monitoring activities.

Performance Improvement Projects: The Contractor shall implement Performance Improvement Projects (PIPs) designed to achieve and sustain significant improvement in the areas of clinical and non-clinical care, through ongoing measurements and interventions, as specified in AMPM Chapter 900, and involve the following [42 CFR 457.1240(b), 42 CFR 438.330(d)(i)-(iv)]:

1. Measurement of performance using objective quality indicators,
2. Implementation of interventions to achieve improvement in access to and quality of care,
3. Evaluation of the effectiveness of the interventions based on measures collected as part of the PIP, and
4. Planning and initiation of PIP activities for increasing or sustaining improvement.

PIPs are mandated by AHCCCS; however, the Contractor shall also identify and implement additional PIPs based on self-identified opportunities for improvement, as supported by root cause analysis, external/internal data, surveillance of trends, or other information available to the Contractor. If the Contractor holds AHCCCS Contracts for more than one line of business, the Contractor shall submit separate reports for each line of business that contain rates and results specific to the line of business for which the submission pertains. In addition, the Contractor shall ensure the inclusion of subpopulation data and disparities analysis within its reporting, with the identification of targeted interventions to be implemented specific to findings. Upon notification and direction from AHCCCS, the Contractor shall participate in AHCCCS workgroup sessions aimed to identify barriers and develop action plans to address system performance.

The Contractor shall report the status and results of each PIP to AHCCCS, no less than once per year and as requested, using the AHCCCS Performance Improvement Project (PIP) Reporting Template included in AMPM Policy 980 and as specified in Section F, Attachment F3, Contractor Chart of Deliverables. Performance for each PIP shall be evaluated minimally on an annual basis, or more frequently, so information related to the Contractor's performance can be reviewed and evaluated, with interventions revised accordingly [42 CFR 457.1240(b), 42 CFR 438.330(d)(1), 42 CFR 438.330(d)(3)]. PIP report submissions by the Contractor shall be provided to the External Quality Review Organization (EQRO) for review, evaluation, and potential inclusion within EQR annual technical report findings. In addition, AHCCCS may elect to require EQRO validation of AHCCCS-Mandated and Contractor Self-Selected PIP reports.

Performance Measures: To meet program and reporting requirements, standardized performance measures shall be measured and reported on an annual basis, or more frequently, as determined by AHCCCS [42 CFR 438.330 (c)]. Performance measures shall be collected, monitored, and evaluated in accordance with AMPM Policy 970. AHCCCS may utilize administrative, hybrid, or other methodologies for collecting and reporting performance measure rates, as allowed by CMS Core Measure Sets, the NCQA for selected HEDIS® measures, as allowed by other entities for nationally recognized measure sets, or as determined by AHCCCS.

For Contract Year Ending (CYE) 2021 (10/1/20 through 9/30/21) Performance Measures shall be reflective of the performance measurement period for Calendar Year 2021 (1/1/2021 through 12/31/2021) in alignment with the applicable CMS Adult and Child Core Set technical

specification requirements and NCQA HEDIS® technical specification requirements (for select NCQA HEDIS® measures).

AHCCCS Performance Measures (Statewide Aggregate): Technical specifications for statewide aggregate performance measure calculations are based on the CMS Core Measure Sets methodologies. AHCCCS may utilize other methodology sources, such as National Committee for Quality Assurance (NCQA) Health Exchange Data and Information System (HEDIS®) or develop methodologies for measurement that are reflective of the Arizona system of care delivery model.

Performance measure performance is evaluated annually using the official rates described in the preceding paragraph; these rates are considered the official measurements for statewide reporting. In lieu of AHCCCS calculated statewide hybrid aggregate rates, AHCCCS may elect to utilize Contractor calculated hybrid performance measure rates that have been aggregated for official statewide reporting. Official statewide rates will be compared with the Centers for Medicare and Medicaid Services (CMS) Adult/Child Core Sets, Child and Adult Health Care Quality Measures, national Medicaid Median (CMS Medicaid Median), or NCQA HEDIS® Medicaid Mean for selected HEDIS®-Only Measures, that aligns with the Calendar year for which the data reflects [.

CMS-416: The EPSDT Participation and Preventive Dental Services performance measures utilize methodology established within the CMS Instructions for Completing Form CMS-416: Annual Early and Periodic Screening, Diagnostic, and Treatment (EPSDT) Participation Report, which can be found on the AHCCCS website.

AHCCCS uses the national CMS-416 methodology to generate the EPSDT Participation and Preventive Dental Services rates. The aggregate rates for Title XIX and Title XXI are generated one time per year and reported to CMS within specified timeframes. AHCCCS may require the Contractor to implement a corrective action plan or participate in mandatory workgroup activities when statistically significant declines in the Title XIX and Title XXI aggregate rates are identified.

Hybrid Performance Measures: AHCCCS may conduct hybrid performance measure reviews/audits for any CMS Child or Adult Core Set measure, NCQA HEDIS®, or other standardized measure to monitor and evaluate performance for performance measures and/or PIPs. AHCCCS conducted hybrid performance measure reviews/audits shall be reflective of statewide performance; however, AHCCCS reserves the right to conduct hybrid performance measure reviews/audits to also monitor Contractor and/or line of business performance. Contractor reported rates may be reported publicly, and the Contractor may be required to implement a CAP when: deficiencies are identified within hybrid performance measure rates, when hybrid performance measure rates do not meet performance requirements, or for declines in hybrid performance measure rates.

Hybrid Data Collection Procedures: AHCCCS may require the Contractor to submit data for standardized Performance Measures and/or PIPs within specified timelines and according to AHCCCS procedures for collecting and reporting the data. AHCCCS may elect to utilize an EQRO for conducting hybrid performance measure review/audit activities.

Contractor Performance Measures (Contractor Specific): The Contractor shall comply with AHCCCS QM/PI requirements to improve the care, coordination, and services provided to AHCCCS members as demonstrated through performance metrics and performance measure reporting. The Contractor shall measure and report upon all measures included as part of the CMS Adult and Child Core Sets for the associated measurement period as well as select NCQA HEDIS® or other AHCCCS-required measures, as listed below:

HEDIS® OR OTHER ADULT/CHILD MEASURES	
Mental Health Utilization (MPT) (HEDIS®)	TBD

As measure sets are updated, performance measures required by AHCCCS may also be updated to reflect the changes.

As part of the Contractor’s performance measure data collection, reporting, and analysis, the Contractor shall:

1. Calculate, analyze, and report rates specific to line of business.
2. Calculate and report combined rates/percentages for Title XIX and Title XXI populations; however, the Contractor must have the ability to calculate and report numerators, denominators, and rate/percentage for Title XIX as well as Title XXI, which shall be provided in accordance with AHCCCS request or instructions. For hybrid measures in which rates/percentages are based on sample populations, the Contractor shall ensure its sample populations are inclusive of a representative sample of Title XIX and Title XXI members.
3. Analyze and have the ability to report performance measure data specific to applicable subpopulations [i.e. members with special health care needs, including, but not limited to: EPSDT, maternal, behavioral health category, and Children’s Rehabilitative Services (CRS) designated members] in accordance with AHCCCS instruction and request.
4. Analyze and have the ability to report results by placement (e.g. HCBS vs. nursing facility), system of care delivery model, Geographic Service Areas (GSA) or County, applicable member designations, and/or other applicable demographic factors.
5. Conduct routine monitoring and implement population/subpopulation specific targeted interventions, meant to ameliorate or eliminate identified disparities, which are based on evaluation and analysis of previous performance.
6. Ensure qualified staff and personnel are utilized in the data collection and reporting process.

The Contractor is responsible for collecting valid and reliable data in accordance with associated measure specifications, as well as technical guidance and instructions provided by AHCCCS and/or an EQRO conducting validation activities. Responsibility for validation and oversight of performance measure data collection and rate reporting in alignment with AHCCCS requirements remain with the Contractor, despite utilization of a vendor or subcontractor to conduct performance measure calculations or hybrid reviews on its behalf. The Contractor shall comply with all manuals, documents, and guides referenced within this section to improve performance for performance measures.

Hybrid Performance Measures: The Contractor shall participate in hybrid performance measure reviews/audits for any and all other measures identified by AHCCCS, at intervals specified by AHCCCS. An EQRO may conduct a study to validate the Contractor's collection process, collected data, and/or reported rates.

The number of records that each Contractor collects will be based on CMS Core measure specifications, NCQA HEDIS® specifications, EQRO, or other sampling guidelines in accordance with instructions provided by AHCCCS. The number of records that each Contractor collects may be affected by the Contractor's previous performance rate for the associated measure. The Contractor shall comply with and implement the hybrid methodology data collection as directed by AHCCCS. If records are missing for more than five percent (5%) of the Contractor's final sample, the Contractor is subject to sanctions by AHCCCS.

Hybrid Data Collection Procedures: When requested by AHCCCS, the Contractor shall submit data for standardized Performance Measures and/or PIPs within specified timelines and according to AHCCCS procedures for collecting and reporting the data. The Contractor shall collect data from medical records, Electronic Health Records (EHRs), or through other AHCCCS approved mechanisms in accordance with the technical specifications and/or methodology identified by AHCCCS. Data for AHCCCS directed hybrid studies shall be reported utilizing a standardized format for each hybrid measure, with allowable supporting documentation submitted, in accordance with AHCCCS provided instructions. Data collected for Performance Measures and/or PIPs must be completed and maintained by the Contractor in a standardized format, in accordance with instructions and timelines provided by AHCCCS. Contractors shall submit hybrid study related documentation per instructions provided by AHCCCS.

The Contractor must also ensure that data collected by multiple parties/individuals for Performance Measures and PIP reporting is consistent and comparable through an implemented inter-rater reliability process, as specified in AMPM Policy 970. Failure to follow the data collection and reporting instructions that accompany the data request may result in regulatory actions including, but not limited to, sanctions imposed on the Contractor.

If an extension of time is needed to complete the submission, the Contractor may submit a formal request via email communication before the deliverable due date to the AHCCCS/DHCM, Operations Compliance Officer and Quality Improvement Team Manager, in accordance with AMPM Policy 920 requirements.

The Contractor shall implement a process for internally monitoring and reporting Performance Measure rates, utilizing a standardized or adopted methodology, as defined and determined by AHCCCS, for each required Performance Measure. The Contractor shall evaluate performance, based on unique population and applicable subpopulations, utilizing a Calendar Year. The Contractor shall have a mechanism for its QM/PI Committee to report the Contractor's performance on an ongoing basis to its CEO, stakeholders, and other key staff.

The Contractor shall measure, evaluate, and report performance measure rates in accordance with AHCCCS instructions. Contractor calculated rates that have been validated by the EQRO

are the official rates utilized for determination of Contractor compliance with performance requirements. AHCCCS reserves the right to calculate and report rates, in lieu of Contractor calculated rates, which may be utilized as the official rates when determining Contractor compliance with performance measure requirements. AHCCCS calculated rates that have been validated by the EQRO are the official rates utilized for statewide aggregate rates; however, AHCCCS may elect to utilize Contractor calculated rates that have been validated and compiled by the EQRO as the official line of business/statewide aggregate rates.

Contractor Performance Measure Reporting: The Contractor shall include all Medicaid Managed Care enrolled members within its performance measure reporting and report rates specific to line of business; Contractors shall adhere to continuous enrollment criteria as outlined in the associated measure specifications.

The Contractor shall have the ability to report, in accordance with AHCCCS instruction and request, performance measure data specific to:

1. Applicable subpopulations [i.e. members with special health care needs, including, but not limited to: EPSDT, maternal, behavioral health category, and Children's Rehabilitative Services (CRS) designated members],
2. Placement (e.g. HCBS vs. nursing facility),
3. System of care delivery model,
4. Geographic Service Areas (GSA) or County,
5. Applicable member designations, and
6. Other applicable demographic factors.

The Contractor shall conduct and report disparity analysis findings and activities meant to ameliorate or eliminate identified disparities, based on the evaluation and analysis of current and previous performance.

The Contractor is responsible for monitoring and reporting to the AHCCCS/DHCM, Quality Improvement Manager the status of, and any discrepancies identified in encounters received by AHCCCS including paid, denied and pended for purposes of Performance Measure monitoring prior to the official rate calculations being conducted.

The Contractor's performance measure monitoring, inclusive of measurable goals/objectives, rates, analysis, and newly implemented or revised interventions shall be reported to AHCCCS as part of its QM/PI Program Plan in accordance with this section; Section F, Attachment F3, Contractor Chart of Deliverables; and as required by AHCCCS. In addition, the Contractor is required to submit quarterly performance measure monitoring results to AHCCCS within its Performance Measure Monitoring Report as specified in Section F, Attachment F3, Contractor Chart of Deliverables. The Contractor shall report in alignment with the requirements found in AMPM Policy 910, 920, 970 and 980.

Quality Improvement Performance Requirements: Contractor performance is evaluated annually using the official rates described in the preceding section. These rates are considered the official measurements for each Performance Measure. Official rates will be compared with the Line of Business aggregate rates, as applicable, and the NCQA HEDIS® Medicaid Mean/CMS Medicaid Median, for selected CMS Core Set-Only Measures, as identified by AHCCCS. The

Contractor shall perform in accordance with established standards, as specified in this section. Contractor performance that does not meet established standards per official reporting may be subject to regulatory action, which may include a sanction, for each deficient measure.

The Contractor must meet and sustain, as well as ensure that each subcontractor meets and sustains, the NCQA HEDIS® Medicaid Mean/CMS Medicaid Median for each performance measure [42 CFR 438.330(b)(1)-(2) and (d)(1)]. It is equally important that, in addition to meeting the NCQA HEDIS® Medicaid Mean/CMS Medicaid Median, the Contractor continually improves performance measure outcomes from year to year.

The Contractor must show demonstrable and sustained improvement toward meeting the associated Line of Business aggregate rate, as applicable, and the associated NCQA HEDIS® Medicaid Mean/CMS Medicaid Median. AHCCCS will require the Contractor to implement a CAP for measures that are below the associated Line of Business aggregate rate, as applicable, as well as for measures that do not meet the associated NCQA HEDIS® Medicaid Mean/CMS Medicaid Median. AHCCCS may require the implementation of a CAP for measures that show a statistically significant decline in its rate. This includes measures that show a statistically significant decline that meets or exceeds the associated NCQA HEDIS® Medicaid Mean/CMS Medicaid Median, as well as meets or exceeds the AHCCCS Line of Business aggregate rate. In addition, AHCCCS may require the Contractor to implement a CAP or participate in mandatory workgroup activities when statistically significant declines in the aggregate rate(s)/population specific rate(s) (i.e., ACC and/or General Mental Health/Substance Use populations) are identified even when the rate(s) meets or exceeds the associated NCQA HEDIS® Medicaid Mean/CMS Medicaid Median. AHCCCS may require the Contractor to conduct a chart audit for validation of any performance measure that falls below the associated NCQA HEDIS® Medicaid Mean/CMS Medicaid Median.

AHCCCS may impose sanctions on the Contractor, if it does not show statistically significant improvement in its official rates. Sanctions may also be imposed: for statistically significant declines of official rates, even if they meet or exceed the associated Line of Business aggregate rate, as applicable, and/or the associated NCQA HEDIS® Medicaid Mean/CMS Medicaid Median; for any rate that does not meet the associated NCQA HEDIS® Medicaid Mean/CMS Medicaid Median; for a rate that has a significant impact to the line of business/population specific or statewide aggregate rate; for any rate that falls from a higher to lower performing percentile/quartile in alignment with the associated NCQA HEDIS® and CMS national Medicaid data. AHCCCS may require the Contractor to demonstrate that they are allocating increased administrative resources to improving rates for a particular measure or service area.

Upon notification and direction from AHCCCS, the Contractor shall:

1. Participate in mandatory technical assistance sessions. The Contractor may also request technical assistance as needed,
2. Participate in AHCCCS workgroup sessions aimed to identify barriers and develop action plans to address system performance,
3. Propose and implement Contractor-specific corrective action plans (CAPs) for official statewide aggregate rates that:
 - a. Do not meet the published CMS Medicaid Median/NCQA HEDIS® Medicaid mean, or
 - b. Demonstrate a significant decline for the applicable measurement period.

4. Propose and implement Contractor-specific corrective action plans (CAPs) inclusive of targeted interventions, meant to ameliorate or eliminate identified disparities, which are based on AHCCCS evaluation and analysis of performance measure performance for which statistically significant disparities are identified.

Quality Improvement Corrective Action Plans: An evidence-based CAP inclusive of elements specified in AMPM Policy 920 must be received by AHCCCS within 30 days of the notification from AHCCCS of the deficiency(s). Proposed CAPs must be approved by AHCCCS prior to implementation and CAP updates shall be submitted at intervals specified by AHCCCS. In addition, AHCCCS may conduct one or more follow-up desktop or on-site reviews to verify compliance with a CAP. Contractors shall implement an evidence-based CAP inclusive of elements specified in AMPM Policy 920 within 30 days of notification from AHCCCS of a Quality Improvement (QI) related deficiency(s). The Contractor shall also identify and implement additional CAPs based on self-identified opportunities for improvement, as supported by root cause analysis, external/internal data, surveillance of trends, or other information available to the Contractor. Self-implemented CAPs and associated CAP updates shall be submitted upon AHCCCS request.

If an extension of time is needed to complete the submission, the Contractor may submit a formal request via email communication before the deliverable due date to the AHCCCS/DHCM, Operations Compliance Officer and Quality Improvement Team Manager, in accordance with AMPM Policy 920 requirements.

Member Satisfaction Surveys: AHCCCS or the Contractor may conduct surveys of a representative sample of the Contractor's membership and providers. The Contractor shall, as requested by AHCCCS, participate in member satisfaction surveys in accordance with Statewide Consumer Survey protocol [42 CFR 438.340(a), 42 CFR 438.340(b)(4)]. AHCCCS may provide the survey tool or require the Contractor to develop the survey tool which shall be approved in advance by AHCCCS and as specified in Section F, Attachment F3, Contractor Chart of Deliverables.

The results of the surveys may become public information and available to all interested parties on the AHCCCS website. The Contractor may be required to participate in workgroups and other efforts that are initiated based on the survey results. The Contractor may participate in or conduct additional surveys based upon findings from the previously conducted member satisfaction survey, as approved by AHCCCS, as part of designing its quality improvement or CAP activities.

While not included as an official performance measure, survey findings or performance rates for survey questions may result in regulatory action including, but not limited to, the Contractor being required to develop a CAP to improve any areas of concern noted by AHCCCS. Failure to effectively develop or implement AHCCCS-approved CAPs and drive improvement may result in additional regulatory action.

Engaging Members through Technology Executive Summary: The Contractor shall engage its membership through web based applications, which may include mobile device technologies. The Contractor shall identify web/mobile-based applications utilized in its outward facing communication with members. The Contractor shall also identify subpopulations that can

benefit from web/mobile based applications used to assist members with self-management of health care needs (e.g. chronic conditions, pregnancy, SDOH resources, or other health related topics the Contractor considers to be most beneficial to members), implementing and evaluating targeted Engaging Members through Technology (EMTT) related activities specific to these areas. The Contractor shall submit an EMTT Executive Summary, in report format and as a component of the Contractor's QM/PI Program Plan submission, as specified in AMPM Policy 920 and Section F, Attachment F3, Contractor Chart of Deliverables.

Targeted Investments: AHCCCS' Targeted Investments (TI) program outlines requirements that providers agree to implement to support and enable their ability to offer improved integration of physical and behavioral health services for members. These requirements, identified as core components, are found at www.azahcccs.gov/PlansProviders/TargetedInvestments/. The Contractor shall consider alignment with these core components when developing and implementing strategies to support integration efforts.

Ambulatory Medical Record Review Audit: The Contractor shall conduct an Ambulatory Medical Record Review (AMRR) audit according to the requirements outlined below, as well as within AMPM 940. The audit shall include the following provider types, including PCPs that serve children (i.e. children defined as less than 21 years of age) and obstetricians/gynecologists. The Medical Record review process shall consist of monitoring a group practice based on the following number of practitioners within the group practice:

- Group practice with 1-2 practitioners, 8 charts per practitioner.
 - Group practice with 3-6 practitioners, 4 charts per practitioner.
 - Group practice with 7-15 practitioners, 2 charts per practitioner.
 - Group practice with 16+ practitioners, a maximum of 30 charts shall be reviewed.
1. If the score after review of the required number of charts identified above, is less than 85 percent, technical assistance shall be provided to the practitioner, and the practitioners shall also be audited the following year,
 2. If the score after eight charts is 85 percent or greater, yet areas of deficiency are found, technical assistance shall be given to the practitioner, and
 3. For providers that do not treat children or pregnant members, the following process shall occur unless a different methodology is reviewed and approved by AHCCCS:
 - a. A random sample of 30 providers per Geographic Service Area (GSA) will be pulled for audit each year. Eight charts will be audited per provider,
 - b. If the score after eight charts is less than 85 percent, technical assistance shall be given to the provider, and the provider shall also be re-audited the following year,
 - c. If the score after eight charts is 85 percent or greater, yet areas of deficiency are found, technical assistance shall be given to the provider, and
 - d. If, after all the audits are completed and noted trends are identified around deficiencies or improvement opportunities, the entire network shall receive education and guidance on the issues identified.

For the AMRR, Arizona Association of Health Plans (AzAHP) maintains oversight of the administrative processes through regular collaboration with the Contractors, including development and maintenance of the audit tool, data analysis, assistance with provider identification and audit rotation schedule. Any additional processes that have been established

prior to October 1, 2020, by way agreement between a Contractor and AzAHP may continue as is. Any alteration to these established processes will require AHCCCS approval. For completion of the AMRR, a Registered Nurse (RN) or a Licensed Practical Nurse (LPN) with current Licensure under the Arizona State Board of Nursing.

Behavioral Health Clinical Chart Audit Findings and Summary Report: The Contractor shall conduct a Clinical Chart Audit of the behavioral health care provided to its members. Contractors will also incorporate documentation to reflect completion of a fidelity audit of the CALOCUS Levels of Care into the results of the BH Clinical Chart Audit. An analysis of the findings shall include a report of overall trends indicating (1) which audit sections or individual requirements did not meet the minimum threshold requirements of 85% across the sample of providers that were audited (2) results of the CALOCUS fidelity audit that indicate whether levels of care were identified correctly or not. The CALOCUS fidelity audit shall be administered on the same children's charts that are randomly identified as part of the sample chosen for the audit. The Contractor shall also include a breakdown of trends by subpopulation served (e.g. ACC, CMDP, DDD and/or ALTCS E/PD, SMI). The Contractor shall also include a list of the providers and sample size that were included within the audit. An analysis of the findings shall be submitted to AHCCCS as specified in Section F, Attachment F3, Contractor Chart of Deliverables, AMPM Policy 910, and AMPM Policy 940.

Clinical Chart Audits are required for the following provider types: Behavioral Health Outpatient Clinics (Provider Type-77), Federally Qualified Health Centers (Provider Type-C2) and Integrated Behavioral Health and Medical Facilities (Provider Type-IC) that conduct behavioral health intakes per AMPM Policy 580 or as directed by AHCCCS.

To meet these requirements, the Contractor may independently perform the review or subcontract with a third party vendor approved by AHCCCS. Regardless of whether the Contractor performs the audit or chooses a third party vendor, the audit process should result in minimal burden to the behavioral health providers (e.g. no more than one Contractor should review the same provider within the same year, but all contracted providers, with the provider type designations identified above, should be audited). If applicable, the Contractor shall have oversight responsibility to assure that the third party vendor performs the review as required and that results are accurate. The Clinical Chart Audit must be conducted by licensed Behavioral Health Professionals (BHPs) or Behavioral Health Technicians (BHTs), with a minimum of three years' experience as a BHT and under the supervision of a BHP.

The Contractor shall utilize a standardized behavioral health tool as developed by AHCCCS. Reviews shall be completed based on a sample of member records including both children and adults. A stratified random sampling methodology, representative of the provider's member population, relative to the contractual relationship between the provider and Contractor conducting the audit (e.g. DDD, ALTCS E/PD, SMI, GMH/SU, children with CRS designation, CMDP) shall be employed. The sample size shall not exceed an "n" of 30 charts per provider and consist of equal numbers of adults, children or mixture based on subpopulation serviced (e.g. EPD, SMI, GMH/SU).

The Contractor shall notify their providers in advance of the intent to audit. Notification shall include at minimum:

1. Start date of the audit,
2. Sample and oversample list, if applicable,
3. AHCCCS Audit Tools and Operational Definitions applicable to the Audit Sample,
4. Audit Review Period,
5. Process by which Contractor will provide feedback and activities related to monitoring the need for corrective action by providers based on deficient findings as a result of the audit; this should include notification of the quality of care issues or trends found as a result of the audit (with member information redacted), and
6. The methods to be used by each Contractor to ensure member privacy.

The Contractor shall monitor and provide feedback on all corrective action plans written as a result of the findings in the case file review to ensure improved performance.

In addition, the Contractor shall:

1. Follow local, State and Federal regulations and requirements related to seclusion and restraint. Reports regarding incidents of seclusion and restraint shall be submitted to AHCCCS, OHR and HRC as specified in AMPM Policy 962 and as specified in Section F, Attachment F3, Contractor Chart of Deliverables (A.R.S. §36-513),
2. Submit deliverables related to Actions Reported to the National Provider Data Bank (NPDB) or a Regulatory Board, as specified in Section F, Attachment F3, Contractor Chart of Deliverables, and
3. Submit deliverables related to Quality Management as specified in Section F, Attachment F3, Contractor Chart of Deliverables.

23. MEDICAL MANAGEMENT

The Contractor shall ensure an integrated Medical Management (MM) process or system that is designed to assure appropriate utilization of health care resources, in the amount and duration necessary to achieve the desired health outcomes, across the continuum of care, from preventive care to hospice care.

The Contractor shall have a process to report MM data and management activities through a Contractor MM Committee. The Contractor's MM Committee shall utilize the Plan, Do, Study, Act (PDSA) cycle to analyze the data, make recommendations for action, monitor the effectiveness of actions, and report these findings back to the MM Committee for review and ongoing process improvement.

The Contractor shall assess, monitor, and report medical decisions quarterly through the Contractor's MM Committee to assure compliance with timeliness, language, Notice of Adverse Benefit Determination intent, and that the decisions comply with all Contractor coverage criteria.

The Contractor shall maintain a written Medical Management (MM) Plan and MM Work Plan Evaluation that addresses the monitoring of MM activities. Refer to AMPM Policy 1010 and AMPM Policy 1020.

The Contractor shall develop a plan outlining short-and long-term strategies for improving care coordination using the physical and behavioral health care data available for members with behavioral health needs. In addition, the Contractor shall develop an outcome measurement plan to track the progress of the strategies. The plan outlining the strategies for improving care coordination and the outcome measurement shall be reported in the MM Plan, and MM Work Plan Evaluation. The MM Plan and MM Work Plan Evaluation shall be submitted for review as specified in Section F, Attachment F3, Contractor Chart of Deliverables.

The Contractor shall implement processes to assess, plan, implement, evaluate, and, as mandated, report MM monitoring activities as specified in AMPM Chapter 1000 and as specified in Section F, Attachment F3, Contractor Chart of Deliverables. The Contractor shall evaluate, interpret variances, and monitor required MM activities, as specified in the AMPM Chapter 1000, including [42 CFR Part 457 and 42 CFR Part 438]:

1. Utilization Data Analysis and Data Management ,
2. Concurrent Review ,
3. Discharge Planning,
4. Prior authorization and Service Authorization,
5. Inter-rater Reliability,
6. Retrospective Review,
7. Clinical Practice Guidelines,
8. New Medical Technologies and New Uses of Existing Technologies,
9. Contractor Care Management and Coordination,
10. Disease/Chronic Care/Management, and
11. Drug Utilization Review.

AHCCCS shall provide a new Contractor (including an Incumbent Contractor new to a GSA) with three years of historical encounter data for members enrolled with the Contractor. Contractors should use this data to assist with identifying members in need of medical management.

The Contractor shall ensure that each member has a designated person or entity that is primarily responsible for coordinating services for the member. The Contractor shall have procedures to ensure that each member has an assigned primary care provider that provides care appropriate to the member's needs. The Contractor is required to provide the member with information on how to contact their designated individual person or entity [42 CFR 457.1230(c), 42 CFR 438.208(b)(1)].

The Contractor shall make a best effort to conduct an initial screening of each member's needs as specified in AMPM Policy 910 [42 CFR 457.1230(c), 42 CFR 438.208(b)(3)]. The Contractor shall share with the State or other contracted entities serving the member, the results of any identification and assessment of the member's needs to prevent duplication of services and activities [42 CFR 457.1230(c), 42 CFR 438.208(b)(4)]. The Contractor shall have procedures to coordinate the services provided for members between settings of care including appropriate discharge planning for short-term and long-term hospital and institutional stays [42 CFR 457.1230(c), 42 CFR 438.208(b)(2)(i)].

The Contractor shall have procedures to coordinate the services provided for members between services provided by the Contractor and services received from other AHCCCS Contractors, from FFS Medicaid, or from the community and social support providers [42 CFR 457.1230(c), 42 CFR 438.208(b)(2)(i)-(iv)].

Care Management Program: The Contractor shall ensure the provision of care management to assist members who may or may not have a chronic disease but have physical or behavioral health needs or risks that need immediate attention. This care coordination shall assure members get the services they need to prevent or reduce an adverse health outcome. Care management should be short term and time limited in nature and may include assistance in making and keeping needed medical and or behavioral health appointments, hospital discharge instructions, health coaching and referrals related to the members' immediate needs, PCP reconnection and offering other resources or materials related to wellness, lifestyle, and prevention.

The Contractor shall employ care managers to perform Contractor care management functions as required in AMPM Chapters 500 and 1000. Contractor care managers should have expertise in member self-management approaches, member advocacy, navigating complex systems and communicating with a wide spectrum of professional and lay persons including family members, physicians, specialists and other health care professionals.

The Contractor shall coordinate care with other AHCCCS Contractors and PCPs that deliver services to Title XIX/XXI members [42 CFR 438.208(b)(3)-(4)].

The Contractor shall establish care coordination and Service Plan processes for members designated as having a CRS condition as specified in AMPM Policy 560.

The Contractor shall establish care coordination and Service Planning processes for members designated as having a CRS condition as specified in AMPM Policy 560.

If the Contractor intends to delegate a portion of the Care Management functions, prior approval is required. Request for approvals shall be submitted as specified in ACOM Policy 438. Refer to AMPM Policy 1020.

Care Coordination and Collaboration: Care Coordination encompasses a variety of activities for coordinating services and providers to assist a member in achieving his or her Recovery goals specified in the Individual Recovery Plan. These activities, which can occur both at a clinical and system level, are performed by Treatment Team members depending on a member's needs, goals, and functional status. Regardless of who performs care coordination, the care coordinator should have expertise in member self-management approaches, member advocacy and be capable of navigating complex systems and communicating with a wide spectrum of professional and lay persons including family members, physicians, specialists and other health care professionals.

The Contractor shall conduct care coordination (AMPM Policy 541) activities, which at a minimum shall include, when appropriate, the following activities, the Contractor shall:

1. Ensure that, in the process of coordinating care, each member's privacy is protected in accordance with the privacy requirements including, but not limited to [45 CFR Parts 160

- and 164, Subparts A and E], Arizona statutes and regulations, and to the extent that they are applicable [42 CFR 438.208 (b)(2) and (b)(4) and 42 CFR 438.224] and Section D, Paragraph 20, Medical Records.
2. Engage the member to participate in treatment and service planning, Refer to AMPM Policy 320-O for provisions regarding behavioral health assessment and treatment/service planning.
 3. Monitor adherence to treatment goals including medication adherence.
 4. Authorize the initial service package, continuing or additional services and suggest or create service alternatives when appropriate.
 5. Establish a process to ensure coordination of member care needs across the continuum based on early identification of health risk factors or special care needs.
 6. Monitor individual health status and service utilization to determine use of evidence-based care and adherence to or variance from the Individual Recovery Plan.
 7. Monitor member services and placements to assess the continued appropriateness, medical necessity and cost effectiveness of the services.
 8. Identify and document the member's primary care and specialty care providers to make sure the information is current and accurate.
 9. Communicate among behavioral and physical health service providers regarding member progress and health status, test results, lab reports, medications and other health care information when necessary to promote optimal outcomes and reduce risks, duplication of services or errors.
 10. Track the member's eligibility status for covered benefits and assist with eligibility applications and renewals.
 11. Communicate with the member's assigned Care Manager, treatment team or other service providers to ensure management of care and services including addressing and resolving complex, difficult care situations.
 12. Participate in discharge planning from hospitals, jail or other institutions and follow up with members after discharge.
 13. Ensure applicable services continue after discharge.
 14. Comply with the AMPM and the ACOM standards for member transitions between Contractors or GSAs, participation in or discharge from CMDP, to or from an ALTCS and AHCCCS Complete Care Contractor and upon termination or expiration of a Contract.
 15. Recognize that the exiting Contractor shall be responsible for performing all transition activities at no cost.
 16. Track member transitions from one level of care to another, streamline care plans, and mitigate any disruption in care.
 17. Make referrals to providers, services, or community resources.
 18. Verify that periodic re-assessment occurs at least annually or more frequently when the member's psychiatric and/or medical status changes.
 19. Communicate with family members and other system stakeholders that have contact with the member including, State agencies, other governmental agencies, tribal nations, schools, courts, law enforcement, and correctional facilities.
 20. Identify gaps in services and report gaps to Contractor's network development manager.
 21. Verify that members discharged from Arizona State Hospital with diabetes are issued appropriate equipment and supplies they were trained to use while in the facility.
 22. Coordinate outreach activities to members not engaged, but who would benefit from services, and

23. When a PCP has initiated medication management services for a member to treat a behavioral health disorder, and it is subsequently determined by the PCP that the member should be transferred to a behavioral health provider for evaluation and/or continued medication management services, the Contractor shall:
 - a. Require and ensure that the PCP coordinates the transfer of care. Refer to AMPM Policy 510 and AMPM Policy 520,
 - b. Include this provision in all affected subcontracts, and
 - c. Ensure that PCPs maintain continuity of care for these members.
24. Establish policies and procedures for the transition of members to the RBHA or TRBHA prescribers for ongoing treatment. The policies and procedures must address, at a minimum, the following:
 - a. Guidelines for when a transition of the member to the RBHA or TRBHA prescriber for ongoing treatment is indicated,
 - b. Protocols for notifying the RBHA or TRBHA of the member's transfer, including reason for transfer, diagnostic information, and medication history,
 - c. Protocols and guidelines for the transfer or sharing of medical records information and protocols for responding to RBHA or TRBHA requests for additional medical record information,
 - d. Protocols for transition of prescription services, including but not limited to notification to the RBHA or TRBHA of the member's current medications and timeframes for dispensing and refilling medications during the transition period. This coordination must ensure at a minimum, that the member does not run out of prescribed medications prior to the first appointment with a RBHA or TRBHA prescriber and that all relevant member medical information including the reason for transfer is forwarded to the receiving RBHA or TRBHA prescriber prior to the member's first scheduled appointment with the RBHA or TRBHA prescriber, and
 - e. Contractor monitoring activities to ensure that members are appropriately transitioned to the RBHA or TRBHA for care.

Coordination with AHCCCS Contractors and Primary Care Providers: The Contractor shall coordinate care with AHCCCS Contractors and PCPs that deliver services to Title XIX/XXI members, 42 CFR 438.208(b)(3)-(4). The Contractor shall develop and implement policies and procedures that govern confidentiality, implementation and monitoring of coordination between subcontractors, AHCCCS Contractors, behavioral health providers, and other governmental agencies.

The Contractor shall forward behavioral health records including copies or summaries of relevant information of each Title XIX/XXI member to the member's PCP as needed to support quality medical management and prevent duplication of services.

The Contractor shall establish a process to ensure care coordination for pharmaceutical needs for members based on early identification of health risk factors or special care needs and ensure the following information, for all members referred by the PCP, is communicated to the PCP, upon request, no later than 10 days from the request [42 CFR 438.208(b)(3)]:

1. Critical laboratory results as defined by the laboratory and required by specific medication(s), and
2. Prescriptive changes of a member's medication(s) within the same therapeutic class or a change to a new drug from a different therapeutic class.

The Contractor shall meet, at least semi-annually, with other AHCCCS Health Plans, including AIHP, the Contractor coordinates care with to address systemic coordination of care issues including at a minimum, sharing information regarding referral and consultation services and solving identified problems.

The Contractor shall assign staff to facilitate the meetings specified in the Contract, who have sufficient program and administrative knowledge and authority to identify and resolve issues in a timely manner.

Care Coordination for Survivors of Sex Trafficking: The Contractor is responsible for providing outreach to members identified by the Arizona Child Abuse Hotline who are assessed as survivors of sex trafficking. Once notification is received by AHCCCS from the Hotline, AHCCCS will forward the notification to the Contractor. The Contractor or its contracted provider shall outreach to the member's guardian to provide trauma-informed resources, including but not limited to a description of how to access behavioral health assessment services and subsequent treatment if medically necessary. The Contractor shall ensure the results of the outreach and activities are communicated back to AHCCCS as specified in Section F, Attachment F3, Contractor Chart of Deliverables. Outreach activity results shall include the date of contact with the member's guardian and a description of services referred and/or delivered.

The Contractor shall have in effect mechanisms to assess the quality and appropriateness of care furnished to members with special health care needs [42 CFR 438.240(b)(4)]. The Contractor shall implement procedures to deliver primary care to and coordinate health care service for members. These procedures must ensure that each member has an ongoing source of primary care appropriate to his or her needs and a person or entity formally designated as primarily responsible for coordinating the health care services furnished to the member [42 CFR 438.208].

The Contractor must assure that all staff members having contact with members or providers receive initial and ongoing training with regard to the appropriate identification and referral of quality of care/service concerns.

High Need/High Cost: The Contractor shall identify, monitor, and implement interventions for addressing the appropriate and timely to improve care provided to members with high needs and/or high costs who have physical and/or behavioral health needs. Refer to AMPM Policy 1020.

The Contractor shall have in effect mechanisms to assess the quality and appropriateness of care furnished to members with special health care needs [42 CFR 438.240(b)(4)]. The Contractor shall implement procedures to deliver primary care to and coordinate health care service for members. These procedures must ensure that each member has an ongoing source of primary care appropriate to his or her needs and a person or entity formally designated as primarily responsible for coordinating the health care services furnished to the member [42 CFR 438.208].

The Contractor must assure that all staff members having contact with members or providers receive initial and ongoing training with regard to the appropriate identification and referral of quality of care/service concerns.

Out of State Placements for Behavioral Health Treatment: The Contractor shall notify AHCCCS of out of state placements and submit progress updates of members who remain in out of state placement for behavioral health treatment as specified in AMPM Policy 450 and Section F, Attachment F3, Contractor Chart of Deliverables.

Court Ordered Treatment: For purposes of care coordination the Contractor shall submit a report of all members under outpatient Court Ordered Treatment (COT) to AHCCCS. The Contractor shall submit the Outpatient Commitment COT Monitoring Report (one combined deliverable for all lines of business) as specified in Section F, Attachment F3, Contractor Chart of Deliverables. The Outpatient Commitment COT Monitoring Report shall contain the following information:

1. Health plan sub population, health plan sub population description,
2. Record number,
3. RBHA ID, Name,
4. Date by year and month,
5. Member name and demographics,
6. Member CIS and/or AHCCCS identification number,
7. New or existing court order and court order description,
8. COT start date, end date, court order reason and court order reason description,
9. Re-Hospitalization, re-hospitalization description and date,
10. Incarcerated and date,
11. Court order expired,
12. COT review and court order treatment review description,
13. Transferred to IHS,
14. Non-compliant,
15. Court order amended due to non-compliance,
16. RBHA contact person, email address,
17. Behavioral health category, behavioral health category description,
18. Age, age band, age band description, and
19. Funding source, funding source description.

Justice System Collaboration: The Contractor shall meet, agree upon, and reduce to writing Memorandums of Understanding (MOUs) specific to the following correctional entities:

1. Arizona Administrative Office of the Courts for Juvenile and Adult Probation,
2. The Arizona Department of Corrections and Arizona Department for Juvenile Corrections, and
3. The County jails.

At a minimum, MOUs shall include the following care coordination requirements specified in AMPM Policy 541.

The Contractor shall:

1. Partner with the justice system to communicate timely data necessary for coordination of care in conformance with all applicable administrative orders, 42 CFR Part 2, and Health Insurance Portability and Accountability Act (HIPAA) requirements that permit the sharing of written, verbal and electronic information,

2. Utilize data sharing agreements and administrative orders that permit the sharing of written, verbal and electronic information at the time of admission into the facility and at the time of discharge. At a minimum, data communicated shall comply with HIPAA requirements, and
3. To the extent permitted by State and Federal laws regarding privacy and confidentiality, the data may be shared without the permission of the member and may consist of:
 - a. Individual's Name (FN, MI, LN),
 - b. DOB,
 - c. AHCCCS ID,
 - d. Social Security Number,
 - e. Gender,
 - f. Court Ordered Treatment (COT) Status,
 - g. Public Fiduciary/Guardianship status,
 - h. Assigned Behavioral Health Provider Agency,
 - i. Assigned Behavioral Health Provider's Phone Number,
 - j. RBHA Identified Program (SMI, GMH),
 - k. Name of Physical Health Contractor
 - l. American Indian Health Program,
 - m. Primary Care Provider's Name,
 - n. Primary Care Provider's Phone Number,
 - o. Diagnoses (Medical and Psychiatric), and
 - p. Medications.

The Contractor shall offer customized training that is designed to strengthen staff's ability to effectively work with individuals in the correctional facility and share information that assists the clinical team in developing treatment plans that incorporate community release conditions, as appropriate.

The Contractor shall have policies and procedures that identify specific time frames to have the team (i.e. Correctional Facility, RBHA, Provider and Jail Coordinator) convene to discuss services and resources needed for the individual to safely transition into the community upon release for persons with an SMI diagnosis and those persons categorized as GMH and/or Substance Use who have the following complicated/high cost medical needs:

1. Skilled Nursing Facility (SNF) level of care,
2. Continuous oxygen,
3. Invasive treatment for Cancer,
4. Kidney Dialysis,
5. Home Health Services (example- Infusions, Wound Vacs),
6. Terminal Hospice Care,
7. HIV Positive,
8. Pregnant,
9. Insulin Dependent Diabetic, and
10. Seizure Disorder.

The Contractor must utilize strategies to optimize the use of services in connection with Mental Health Courts and Drug Courts.

Justice System Reach-in Care Coordination System: To facilitate the transition of members transitioning out of jails and prisons into communities, AHCCCS is engaged in a data exchange

process that allows AHCCCS to suspend eligibility upon incarceration, rather than terminate coverage. Upon the member's release, the member's AHCCCS eligibility is un-suspended allowing for immediate care coordination activities. To support this initiative the Contractor is required to participate in justice system "reach-in" care coordination efforts.

The Contractor shall conduct reach-in care coordination for members who have been incarcerated in the adult correctional system for 30 days or longer, and have an anticipated release date. Reach-in care coordination activities shall begin upon knowledge of a member's anticipated release date. The Contractor shall collaborate with justice partners (e.g. Jails, Sheriff's Office, Correctional Health Services, Arizona Department of Corrections, including Community Supervision, Probation, Courts), to identify justice-involved members in the adult justice system with physical and/or behavioral health chronic and/or complex care needs prior to member's release. In addition to members identified as having a chronic and/or complex care need, the Contractor shall conduct reach-in care coordination for members in the adult correctional system who have a substance use disorder and/or meet medical necessity criteria to receive Medical Assisted Treatment (MAT).

The Contractor shall report the Reach-In Plan and outcome of summaries to AHCCCS, as specified in Section F, Attachment F3, Contractor Chart of Deliverables. The Contractor shall monitor progress throughout the year and submit quarterly reporting to AHCCCS, as specified in Section F, Attachment F3, Contractor Chart of Deliverables, of the number of members involved in reach-in activities. In addition, AHCCCS may run performance metrics such as emergency room utilization, inpatient utilization, reduction in recidivism and other access to care measures for the population to monitor care coordination activities and effectiveness. Administrative and Contractor care coordination requirements are specified in AMPM Policy 1020.

The Contractor shall notify AHCCCS upon becoming aware that a member may be an inmate of a public institution when the member's enrollment has not been suspended, and will receive a file from AHCCCS as specified in Section D, Paragraph 51, Capitation Adjustment.

Pursuant to Executive Order: 2017-01, Establishing Substance Abuse Program For Individuals Exiting Prison; effective May 1, 2017 the Maricopa County RBHA Contractor is responsible for collaborating with the Maricopa County justice system and Community Medical Services to identify, obtain written consent, and provide Vivitrol (an opioid antagonist) in the program which includes Medication Assisted Treatment (MAT) as well as counseling after release from incarceration. The Contractor shall submit a Vivitrol Treatment Program Report as specified in Section F, Attachment F3, Contractor Chart of Deliverables. Refer to AMPM Policy 1020.

Collaboration with Tribal Nations and Providers: The Contractor shall consult with each Tribal Nation within the Contractor's assigned Geographic Service Area(s) (GSAs) to ensure availability of appropriate and accessible services. The Contractor shall designate a Tribal Coordinator to interface with Tribal Nations and providers. See also Section D, Paragraph 15, Staffing requirements. The Contractor shall coordinate service delivery for members receiving services at Indian Health Services (IHS), 638 Tribal Facilities, or a TRBHA. The Contractor shall collaborate with Contractors in its GSA(s) to facilitate, at least semi-annually, meetings/forums with the IHS and 638 Tribal Facilities that serve American Indian members.

The Contractor's Tribal Coordinator shall:

1. Have comprehensive knowledge of tribes within the contracted GSA(s) and experience working with tribal populations,
2. Develop collaborative relationships with his and 638 Tribal Facilities, Tribes, Tribal Organizations, Urban Indian Organizations (I/T/U), and TRBHAs serving tribal members in its assigned GSA(s), for the purposes of care coordination, which shall include meetings and member data sharing,
3. Facilitate coordination of care to include face to face meeting with American Indian children in residential facilities located off tribal lands, ensuring the child has communication with the tribal community,
4. Communicate and collaborate with the tribal, county and state service delivery and legal systems and with the IHS, 638 Tribal Facilities, and TRBHAs to coordinate the involuntary commitment process for American Indian members,
5. Collaborate with the Tribes located within its assigned GSA(s) to provide mobile behavioral health and physical health services including behavioral health crisis services,
6. Collaborate with AHCCCS and IHS and 638 Tribal Facilities in order to improve communication through the utilization of health information exchange in order to improve coordination of care and health outcomes for American Indian members,
7. Attend and participate in all Tribal Consultation Meetings and collaborate with AHCCCS to implement changes recommended by the AHCCCS Tribal Consultation meetings,
8. On an as requested basis, the Contractor shall make education and training courses available to licensed and unlicensed physical and behavioral health personnel working on tribal lands,
9. Assist in developing and providing in-service trainings Indian Health Service Facilities, 638 Tribal Facilities, and Urban Indian Health Program clinic (I/T/U) on utilization of services and behavioral health resources available to American Indian Communities located within the assigned GSAs, and
10. Assist with collaborating with tribes to build and/or utilize existing technological infrastructure, so that both telemedicine and telepsychiatry can occur on tribal lands which may include partnership with University of Arizona, Northern Arizona University, Arizona State University or other educational entities with community investment dollars that provide telemedicine.

The Contractor shall submit a Tribal Coordinator Report, as specified in, Section F, Attachment F3, Contractor Chart of Deliverables, summarizing the activities, services, programs, and coordination of care for American Indian members. The report shall include identified trends related to American Indian members, including but not limited to quality of care, access, timeliness, and availability of services. The report shall outline the Contractor's efforts to develop, maintain, and monitor activities for the American Indian population that includes, at a minimum, the following:

1. The number of American Indian members enrolled with the Contractor and the number of American Indian members who are actively receiving care/treatment services,
2. Status and actions taken to establish tribal MOU's within its assigned GSA(s), including MOUs, right of entry, or other formalized agreements or protocols specific to the provision of behavioral health crisis services,
3. A description of how the Contractor is consulting with tribal leaders,

4. Description of training provided for Contractor staff related to the Tribal health care delivery system, including but not limited to tribal sovereignty, cultural competency, unique issues surrounding court ordered evaluation and court ordered treatment (COE/COT), including the recognition process, and assistance provided to tribes in its assigned GSA(s), COE/COT processes,
5. An outline of the interaction process utilized by the Contractor to keep the Tribal Coordinator updated on Contractor issues/concerns. Include the reporting structure of the Contractor and reporting line for the Tribal Coordinator as well as how physical and behavioral health service delivery is organized for tribal members,
6. An explanation of how the Contractor leadership supports the Tribal Coordinator,
7. Describe staff roles that support the Tribal Coordinator and their interaction with tribes in its assigned GSA(s), and
8. Care Coordination activities and collaboration for physical and behavioral health including:
 - a. Status of facilitation for coordination of care,
 - b. Address face to face meetings with American Indian children in facilities located off tribal lands, ensuring the child has communication with the tribal community,
 - c. Continuity of Care from tribal court to discharge,
 - d. Use of blind spot data for care coordination efforts, and
 - e. Active engagement of IHS and/or 638 Tribal Facilities, and TRBHAs, when applicable, for participation in care coordination efforts, and
 - f. Provision of crisis services and post crisis coordination of care.
9. Discuss the support and function provided for IHS and 638 Tribal facilities. Identify facilities in the Contractor's assigned GSA(s) and what physical and behavioral health services are provided. Discuss how gaps are identified. Identify what gaps have been identified and how the Contractor will mitigate these gaps,
10. Training provided on best practices and general clinical requirements,
11. Provide a list of training engagements offered/provided to these facilities,
12. Collaboration with tribes on building technological infrastructure for telehealth, telemedicine, teledentistry, and telepsychiatry, and
13. Successes and barriers associated with physical and behavioral health service delivery to the American Indian population.

Collaboration with System Stakeholders: The Contractor shall work in partnership with Contractors in its Geographic Service Area(s) to meet, agree upon and reduce to writing joint collaborative protocols with each County, District, or Regional Office of:

1. Administrative Office of the Courts,
2. Juvenile Probation and Adult Probation,
3. Arizona Department of Corrections and Arizona Department for Juvenile Corrections,
4. Arizona Department of Child Safety (DCS),
5. Tribal Nations and Providers (Refer to this section above),
6. The Veteran's Administration, and
7. The County jails.

The Contractor shall address in each collaborative protocol, at a minimum, the following:

1. Procedures for each entity to coordinate the delivery of covered services to members served by both entities,

2. Mechanisms for resolving problems,
3. Information sharing,
4. Resources each entity commits for the care and support of members mutually served,
5. Procedures to identify and address joint training needs, and
6. Where applicable, procedures to have providers co-located at Department of Child Safety (DCS), offices, and juvenile detention centers or other agency locations as directed by AHCCCS.

In the collaborative protocols with the Administrative Office of the Courts, Juvenile Probation, and Adult Probation the Contractor shall adopt strategies to optimize the use of services in connection with Mental Health Courts and Drug Courts.

The Contractor shall work in partnership with Contractors in its Geographic Service Area(s) to meet, agree upon, and reduce to writing joint collaborative protocols with local law enforcement and first responders, which, at a minimum, shall address:

1. Continuity of covered services during a crisis,
2. Information about the use and availability of Contractor's crisis response services,
3. Jail diversion and safety,
4. Strengthening relationships between first responders and providers when support or assistance is needed in working with or engaging members, and
5. Procedures to identify and address joint training needs.

At a minimum, the MOUs shall include the following Contractor care coordination requirements:

1. Partner with the justice system to communicate timely data necessary for coordination of care in conformance with all applicable administrative orders, 42 CFR Part 2, and Health Insurance Portability and Accountability Act (HIPAA) requirements that permit the sharing of written, verbal and electronic information,
2. Establish and maintain coordination of care processes as specified in AMPM Policy 1020 and AMPM Policy 541, and
3. Utilize data sharing agreements and administrative orders that permit the sharing of written, verbal, and electronic information at the time of admission into the facility and at the time of discharge.

To the extent permitted by State and federal laws regarding privacy and confidentiality, the data may be shared without the permission of the member if the medications are used to treat substance use disorders and data may consist of:

1. Individual's Name (FN, MI, LN),
2. DOB,
3. AHCCCS ID,
4. Social Security Number,
5. Gender,
6. Court Ordered Treatment (COT) status,
7. Public Fiduciary/Guardianship status,
8. Assigned Behavioral Health Provider Agency,
9. Assigned Behavioral Health Provider's Phone Number,
10. Name of AHCCCS Complete Care Contractor

11. Primary Care Provider's Name,
12. Primary Care Provider's Phone Number,
13. Diagnoses (Medical and Psychiatric), and
14. Medications.

The Contractor shall:

1. Offer customized training that is designed to strengthen staff's ability to effectively work with individuals in the correctional facility,
2. Share information that assists the clinical team in developing treatment plans that incorporate community release conditions, as appropriate, and
3. Develop policies and procedures that identify specific time frames to have the team (i.e. Correctional Facility, the Contractor, Provider and Jail Coordinator) convene to discuss services and resources needed for the individual to safely transition into the community upon release.

The Contractor shall submit all written protocols and MOUs as specified in Section F, Attachment F3, Contractor Chart of Deliverables and review and update on an annual basis as needed.

Notice of Adverse Benefit Determination: The Contractor shall notify the requesting provider and give the member written notice of any decision by the Contractor to deny, reduce, suspend or terminate a service authorization request, or to authorize a service in an amount, duration, or scope that is less than requested [42 CFR 457.1260, 42 CFR 457.1230(d), 42 CFR 438.210(c), 42 CFR 438.404, 42 CFR 438.400(b)]. The notice shall meet the requirements of 42 CFR 438.404, AHCCCS Rules and ACOM Policy 414. The notice to the provider must also be in writing as specified in Section F, Attachment F1, Member Grievance and Appeal System Standards of this Contract. The Contractor must comply with all decision timelines specified in ACOM Policy 414.

The Contractor shall assure and demonstrates that it has the capacity to serve the expected enrollment in its service area in accordance with AHCCCS standards for access and timeliness of care [42 CFR 457.1230(b), 42 CFR 438.207(a), 42 CFR 438.68, 42 CFR 438.206(c)(1)].

The Contractor shall ensure that its providers, acting within the lawful scope of their practice are not prohibited or otherwise restricted from advising or advocating, on behalf of a member who is his or her patient, for [Section 1932(b)(3)(A) of the Social Security Act, 42 CFR 457.1222, 42 CFR 438.102(a)(1)(i)-(iv)]:

1. The member's health status, medical care or treatment options, including any alternative treatment that may be self-administered [42 CFR 438.102(a)(1)(i)],
2. Any information the member needs in order to decide among all relevant treatment options,
3. The risks, benefits, and consequences of treatment or non-treatment,
4. The member's right to participate in decisions regarding his or her health care, including the right to refuse treatment, and to express preferences about future treatment decisions [42 CFR 457.1220, 42 CFR 438.100(a)(1), 42 CFR 438.100(b)(2)(iv)], and
5. Deliver covered health services in accordance with the requirements of any other funding source.

The Contractor shall conduct quarterly self-audits of Notice of Adverse Benefit Determination letters as specified in ACOM Policy 414. The Contractor shall submit a NOA Self-Audit Executive Summary as specified in the ACOM Policy 414 and Section F, Attachment F3, Contractor Chart of Deliverables.

Concurrent Review: The Contractor shall ensure consistent application of review criteria that governs the utilization of services in institutional settings, provide a basis for consistent decisions for utilization management, coverage of services, and other areas to which the guidelines apply.

The Contractor shall have policies and procedures in place that govern the process for proactive discharge planning when members have been admitted into acute care facilities, Behavioral Health Inpatient Facilities (BHIFs), Behavioral Health Residential Facilities (BHRFs), and Therapeutic Foster Care (TFC) facilities. The intent of the discharge planning policy and procedure would be to increase the utilization management of inpatient admissions and decrease readmissions within 30 days of discharge. Refer to AMPM Policy 320-O for provisions regarding behavioral health assessment and treatment/service planning.

In addition, 42 CFR 447.26 prohibits payment for Provider-Preventable Conditions that meet the definition of a Health Care-Acquired Condition (HCAC) or an Other Provider-Preventable Condition (OPPC) (refer to AMPM Chapter 1000). If an HCAC or OPPC is identified, the Contractor must report the occurrence to AHCCCS and conduct a quality of care investigation as specified in AMPM Chapter 900 and as specified in Section F, Attachment F3, Contractor Chart of Deliverables [42 CFR 438.3(g), 42 CFR 438.6(f)(2)(ii), and 42 CFR 434.6(a)(12)(ii)].

Require admission and continued stay authorizations for members in acute care facilities, Behavioral Health Inpatient Facilities (BHIFs), Behavioral Health Residential Facilities (BHRFs), and Therapeutic Foster Care (TFC) facilities are to be conducted by a physician or other qualified health care professional. Under 42 CFR 438.210(b)(3), qualified health care professionals, with appropriate clinical expertise in treating the member's condition or disease, will render decisions to deny if the criteria for admission or continued stay is not met.

The Contractor's quality assessment and performance improvement programs, at a minimum, shall comply with the requirements specified in the AMPM and this Section.

Discharge Planning: The Contractor shall develop and implement policies and procedures for proactive discharge planning when members have been admitted into inpatient facilities even when the Contractor is not the primary payer. Refer to AMPM Policy 1020.

Inter-Rater Reliability: The Contractor shall develop and implement a process to ensure consistent application of review criteria in making medical necessity decisions which include prior authorization, concurrent review, and retrospective review, and ensure that all staff involved in these processes receive inter-rater reliability training and are tested within 90 days of hire and annually thereafter.

Retrospective Review: The Contractor shall develop and implement a policy and procedure describing services requiring retrospective review. The Contractor shall develop and implement guidelines to determine if a Provider-Preventable condition occurred and if the Health Care Acquired Condition (HCAC) or Other Provider-Preventable Condition (OPPC) was the result of a mistake or error by a hospital or medical professional. Conduct a quality of care investigation

and report the HCAC or OPPC occurrence to AHCCCS Quality Improvement Management quarterly and as specified in Section F, Attachment F3, Contractor Chart of Deliverables.

Development and/or Adoption of Practice Guidelines: The Contractor shall adopt and disseminate to providers, members and potential members upon request, Clinical Practice Guidelines based on reliable clinical evidence or a consensus of providers in the particular field that consider member needs [42 CFR 438.236(c)]. The Contractor shall review Clinical Practice Guidelines annually in the Contractor's MM Committee and in conjunction with contracted providers to determine if the guidelines remain applicable and reflect the best practice standards [42 CFR 438.236(b)]. The Contractor shall provide a basis for consistent decisions for utilization management, member education, coverage of services, and other areas to which the guidelines apply [42 CFR 438.236(d)].

New Medical Technologies and New Uses of Existing Technologies: The Contractor shall develop and implement policies and procedures for evaluation of new medical technologies and new uses of existing technologies on a case by case basis to allow for individual members' needs to be met. Evaluate peer-reviewed medical literature that includes well designed investigations reproduced by non-affiliated authoritative sources with measurable results and with positive endorsements by national medical bodies regarding scientific efficacy and rationale and have a website with links to the information as specified in ACOM Policy 404.

Continuity and Care Coordination: The Contractor shall:

1. Comply with all requirements in Section D, Paragraph 23, Medical Management.
2. Establish a process to ensure coordination of member care needs across the continuum based on early identification of health risk factors or special care needs.
3. Ensure the provision of appropriate services in acute, home, chronic, and alternative care settings that meet the members' needs in the most cost effective manner available.
4. Establish a process for timely and confidential communication of clinical information among providers.
5. Address, document, refer, and/or follow up on each member's health status, changes in health status, health care needs, and health care services provided.
6. Include the health risk assessment tool in the new member welcome packet.
7. Implement procedures to deliver primary care to and coordinate health care service for members. These procedures must ensure that each member has an ongoing source of primary care appropriate to his or her needs and a person or entity formally designated as primarily responsible for coordinating the health care services furnished to the member [42 CFR 438.208(b)(1)].
8. Coordinate and implement any necessary clinical interventions or Service Plan revisions in the event a particular member is identified as an outlier. Refer to AMPM Policy 320-O for provisions regarding behavioral health assessment and treatment/service planning.
9. Proactively provide care coordination for members who have multiple complaints regarding services or the AHCCCS Program. This includes, but is not limited to, members who do not meet the Contractor's criteria for case management.
10. Proactively provide care coordination for members who have both behavioral health and physical health needs.
11. Implement the High Need/High Cost Program. Refer to AMPM Policy 1020 and Section F, Attachment F3, Contractor Chart of Deliverables.

12. Outreach program that specializes in addressing members with SMI who are dually eligible and are experiencing access to care, membership and coverage issues.

Care Management Program: Care Management is essential to successfully improving healthcare outcomes for a specifically defined segment of Title XIX eligible SMI members receiving health care services under this Contract. Care Management is designed to cover a wide spectrum of episodic and chronic health care conditions for members in the top tier of high need/high cost members with an emphasis on proactive health promotion, health education, and disease management including consultation to a member's Treatment Team and direct engagement with members; and self-management resulting in improved physical and behavioral health outcomes. These activities are performed by the Contractor's Care Managers. Care Management is an administrative function of the Contractor and not a billable service nor can Care Managers bill for covered behavioral health services including the day-to-day duties of case management.

The primary goals of the Contractor's Care Management program are as follows:

1. Identify the top tier of high need/high cost members with serious mental illness in a fully integrated health care program (estimated at 20%),
2. Effectively transition members from one level of care to another,
3. Streamline, monitor and adjust members' care plans based on progress and outcomes,
4. Reduce hospital admissions and unnecessary emergency department and crisis service use, and
5. Provide members with the proper tools to self-manage care in order to safely live work and integrate into the community.
6. Submit reports as specified in Section F, Attachment F3, Contractor Chart of Deliverables.

For SMI members receiving services under this Contract, the Contractor shall establish and maintain a Care Management Program (CMP). The Contractor shall have the following capability for the top tier of high need/high cost SMI members. On an ongoing basis, utilize tools and strategies to stratify all SMI members into a case registry, which at a minimum, shall include:

1. Diagnostic classification methods that assign primary and secondary chronic co-morbid conditions,
2. Predictive models that rely on administrative data to identify those members at high risk for over-utilization of behavioral health and physical health services, adverse events, and higher costs,
3. Incorporation of health risk assessments into predictive modeling in order to tier members into categories of need to design appropriate levels of clinical intervention, especially for those members with the most potential for improved health-related outcomes and more cost-effective treatment,
4. Criteria for identifying the top tier of high need/high cost members for enrollment into the Care Management Program, and
5. Criteria for disenrolling members from the Care Management Program.

The Contractor shall assign and monitor Care Management caseloads consistent with a member's acuity and complexity of need for Care Management. The Contractor shall allocate Care Management resources to members consistent with acuity, and evidence-based outcome

expectations. Provide technical assistance to Care Managers including case review, continuous education, training and supervision. The Contractor shall communicate Care Management activities with the Contractor's Medical Management, Quality Management and Provider Network departments.

At a minimum, the Contractor shall have Care Managers who are required to complete a comprehensive case analysis review of each member enrolled in Contractor's Care Management Program on a quarterly basis. The case analysis review shall include, at a minimum:

1. A medical record chart review,
2. Consultation with the member's treatment team,
3. Review of administrative data such as claims/encounters, and
4. Demographic and Grievance and Appeal System data.

Care Managers shall establish and maintain a Care Management Plan for each member enrolled in Contractor's Care Management Program. The Care Management Plan, at a minimum, shall:

1. Describe the clinical interventions recommended to the treatment team,
2. Identify coordination gaps, strategies to improve care coordination with the member's service providers,
3. Require strategies to monitor referrals and follow-up for specialty care and routine health care services including medication monitoring, and
4. Align with the member's Individual Recovery Plan, but is neither a part of nor a substitute for that Plan.

The Contractor shall employ care managers to perform Contractor care management function as specified in Section D, Paragraph 23, Medical Management.

The Contractor shall ensure that Contractor care managers are trained on Social Determinants of Health (SDOH) issues and shall have training requirements in place to educate Contractor staff and providers regarding SDOH support addressing the socioeconomic needs of members.

Outreach: The Contractor shall provide and participate in outreach activities to inform the public of the benefits and availability of behavioral health services and how to access those services as specified in AMPM Policy 1040. The Contractor shall provide outreach and dissemination of information to the general public and other human service providers, including but not limited, to county and State governments, school administrators, first responders, teachers, those providing services for military veterans and other interested parties about the availability and accessibility of services and coordinate with AHCCCS in promoting its outreach initiatives.

Outreach to Service Members, Veterans, and Families: The Contractor shall partner with community organizations which provide care and support for service members, veterans and families. Utilizing a collaborative approach, the Contractor shall identify members who may benefit from outreach regarding available programs and services and shall develop and implement outreach activities which inform members and families of the benefits available and how to access those services. The Contractor shall train staff on the available community resources and appropriate actions to take to ensure members are afforded the ability to be connected to these resources. The Contractor shall report its activities regarding these services

in the MM Plan and MM Work Plan Evaluation, as specified in Section F, Attachment F3, Contractor Chart of Deliverables.

Monitoring Controlled and Non-Controlled Medication Utilization: The Contractor shall engage in activities to monitor controlled and non-controlled medication use as specified in AMPM Policy 310-FF to ensure members receive clinically appropriate prescriptions. The Contractor is required to report to AHCCCS, as specified in Section F, Attachment F3, Contractor Chart of Deliverables, a Pharmacy and/or Prescriber-Member Assignment Report which includes members who are restricted to using a specific Pharmacy or Prescriber/Providers due to excessive use of prescriptive medications (narcotics and non-narcotics). The Contractor is also required to report to AHCCCS as specified in Section F, Attachment F3, Contractor Chart of Deliverables, when the Contractor makes changes to interventions and parameters to the Contractor's Exclusive Pharmacy and/or Single Prescriber Process as specified in AMPM Policy 310-FF.

Substance Use Treatment Programs: The Contractor shall submit an overview of the substance use treatment programs, organizations, and entities currently operating in its region and throughout the state for the State Fiscal Year (July 1 – June 30). The Contractor shall submit a single Substance Use Treatment Program Report to include all populations served (Title XIX/XXI and Non-Title XIX/XXI) as specified in Section F, Attachment F3.

Inappropriate Emergency Department Utilization: The Contractor shall identify and track members who utilize Emergency Department (ED) services inappropriately four or more times within a six month period. Interventions shall be implemented to educate the member on the appropriate use of the ED and divert members to the right care in the appropriate place of service. The Contractor shall submit an Emergency Department Diversion Summary as specified in AMPM Policy 1020 and Section F, Attachment F3, Contractor Chart of Deliverables.

24 Hours Post Medical Clearance Emergency Department Report: The Contractor shall monitor the length of time adults and children wait to be discharged from the Emergency Department (ED) while awaiting behavioral health placement or wrap around services. Immediately upon notification that a member needs behavioral health placement or wrap around services is in the ED the Contractor shall coordinate care with the ED and the member's treatment team to discharge the member to the most appropriate placement or wrap around services. Additionally, the Contractor shall submit the 24 Hour Post Medical Clearance ED Report utilizing the standardized AHCCCS reporting template as required in Section F, Attachment F3, Contractor Chart of Deliverables.

Maternal Child Health: The Contractor shall monitor rates and implement interventions to improve or sustain rates for low/very low birth weight deliveries, utilization of Long Acting Reversible Contraceptives (LARC), prenatal, and postpartum visits. The Contractor shall implement processes to monitor and evaluate cesarean section and elective inductions rates prior to 39 weeks gestation, and implement interventions to decrease the incidence of occurrence. The Contractor shall submit EPSDT and Adult Monitoring results as specified in Section F, Attachment F3, Contractor Chart of Deliverables.

The Contractor shall submit all deliverables related to Medical Management as specified in Section F, Attachment F3, Contractor Chart of Deliverables.

24. TELEPHONE PERFORMANCE STANDARDS

The Contractor shall meet and maintain established telephone performance standards to ensure member and provider satisfaction as specified in ACOM Policy 435. The Contractor shall report on compliance with these standards as specified in Section F, Attachment F3, Contractor Chart of Deliverables, and ACOM Policy 435. All reported data is subject to validation through periodic audits and/or Operational Reviews.

25. GRIEVANCE AND APPEAL SYSTEM

The Contractor shall have in place a written Title XIX/XXI Grievance and Appeal System process for members who are Title XIX/XXI eligible, subcontractors, and providers, which defines their rights regarding disputed matters with the Contractor. The Contractor's Grievance and Appeal System for members includes a grievance process (the procedures for addressing member grievances), an appeals process, and access to the State's fair hearing process as specified in Section F, Attachment F1, Member Grievance and Appeal System Standards.

The Contractor's dispute process for subcontractors and non-contracted providers includes a claim dispute process and access to the State's fair hearing process as specified in Section F, Attachment F2, Provider Claim Dispute Standards. The Contractor shall remain responsible for compliance with all requirements set forth in Section F, Attachment F1, Member Grievance and Appeal System Standards, Section F, Attachment F2, Provider Claim Dispute Standards, and 42 CFR Part 438 Subpart F.

The Contractor may delegate the Grievance and Appeal System process to Administrative Services Subcontractors; however, the Contractor shall ensure that the delegated entity complies with applicable Federal and State laws, regulations and policies, including, but not limited to 42 CFR Part 438 Subpart F. The Contractor shall remain responsible for compliance with all requirements. However, the Contractor is not permitted to delegate the Grievance and Appeal System requirements to its providers.

Information to members must meet cultural competency and Limited English Proficiency requirements as specified in Section D, Paragraph 17, Member Information and Section D, Paragraph 19, Cultural Competency.

The Contractor shall provide the appropriate professional, paraprofessional, and clerical personnel for the representation of the Contractor in all issues relating to the Grievance and Appeal System and any other matters arising under this Contract which rise to the level of administrative hearing or a judicial proceeding. Unless there is an agreement with the State in advance, the Contractor shall be responsible for all attorney fees and costs awarded to the claimant in a judicial proceeding.

The Contractor shall also ensure that it timely provides written information, to both members and providers, which clearly explains the Grievance and Appeal System requirements. This information must include a description of:

1. The right to a State fair hearing, the method for obtaining a State fair hearing,
2. The rules that govern representation at the hearing,
3. The right to file grievances, appeals and claim disputes,
4. The requirements and timeframes for filing grievances, appeals and claim disputes,
5. The availability of assistance in the filing process,
6. The toll-free numbers that the member can use to file a grievance or appeal by phone,
7. That benefits will continue when requested by the member in an appeal or State fair hearing request concerning certain actions which are timely filed,
8. That the member may be required to pay the cost of services furnished during the appeal/hearing process if the final decision is adverse to the member, and
9. That a provider may file an appeal on behalf of a member with the member's written consent.

The future enrollment of a Contractor's member to another Contractor and/or the member's subsequent loss of AHCCCS eligibility are not valid reasons to deny or limit a member's service authorization request submitted to the Contractor during the time period in which the member was enrolled with that Contractor. Contractors shall not take the position during the grievance and appeals process that a former member's subsequent enrollment with another Contractor or that member's subsequent loss of AHCCCS eligibility are valid reasons for the Prior Contractor to deny or dismiss an appeal of the adverse benefit determination if the member submitted the service authorization request to the Prior Contractor during a period of enrollment with the Prior Contractor. The Prior Contractor is required to substantiate that the denial or reduction of the service authorization request is based upon medical necessity, the exclusion of the service from the scope of AHCCCS covered services, and/or cost effectiveness. If the authorization decision of the Prior Contractor is overturned on appeal, the Prior Contractor is financially responsible for coverage of those services notwithstanding the member's subsequent enrollment with a different Contractor or the member's subsequent loss of AHCCCS eligibility.

The Contractor shall provide reports on the Grievance and Appeal System as required in the AHCCCS Grievance and Appeal System Reporting Guide and Section F, Attachment F3, Contractor Chart of Deliverables.

Grievance and Appeal System: In addition to the above Title XIX/XXI Grievance and Appeal System processes, the Contractor is also required to adhere to the SMI Grievance and Appeal System requirements specified below.

Grievance and Appeal Process for Members with Seriously Mentally Illness: The following applies to members who have been designated as Seriously Mentally Ill (refer to A.R.S. §36-550(4)):

The Contractor is to implement a grievance and appeal processes as described in Arizona Administrative Code Title 9, Chapter 21, Article 4 for members with a SMI designation, hereinafter "the SMI grievance and appeal processes." The Contractor shall ensure that the SMI grievance and appeal processes comply with all applicable requirements in Arizona State laws

and administrative regulations including the AHCCCS Contractor Operations Manual (ACOM), AHCCCS Medical Policy Manual (AMPM), A.A.C. Title 9, Chapter 21, Article 4, and the requirements specified in this Contract.

The Contractor's SMI grievance and appeal department and personnel shall be available to members and other stakeholders via a published, direct telephone number or by a telephone prompt on the Contractor's primary messaging system.

The Contractor shall provide written notification of the Contractor's SMI grievance and appeal processes to all subcontractors and providers at the time of entering into a subcontract or other agreement with a provider. The Contractor shall provide written notification with information about the Contractor's SMI grievance and appeal processes to members in its Member Handbook. The Contractor shall provide written notification to members at least 30 days prior to the effective date of a change in any part of a SMI grievance or appeal policy.

The Contractor shall administer all of the SMI grievance and appeal processes competently, expeditiously, and equitably for all members, subcontractors, and providers to ensure that SMI grievances and SMI appeals are efficiently and effectively adjudicated and/or resolved. The Contractor shall not engage in conduct to prohibit, discourage, or interfere with a member's right to assert an SMI grievance or SMI appeal.

The Contractor shall regularly review data regarding SMI grievances and SMI appeals to identify trends and opportunities for system improvement, take action to correct identified deficiencies, and otherwise implement modifications which improve SMI grievance and SMI appeal operations and efficiency. The Contractor shall regularly review SMI grievance and SMI appeal data to identify members who utilize SMI grievance and SMI appeal processes at a significantly higher rate than other members and shall take appropriate clinical interventions where appropriate. Refer to AMPM Policy 320-O for provisions regarding behavioral health assessment and treatment/service planning.

The Contractor shall provide all professional, paraprofessional, and clerical/administrative resources to represent the Contractor's in any of its SMI cases that rise to the level of an administrative or judicial hearing or proceeding. Absent written agreement to the contrary, the Contractor shall be responsible for payment of attorney fees and costs awarded to a claimant in any administrative or judicial proceeding.

The Contractor shall:

1. Upon request from and within the time specified by AHCCCS, provide any SMI grievance and/or SMI appeal information, report or document,
2. Fully cooperate with AHCCCS in the event AHCCCS decides to intervene in, participate in, or reviews any Notice, SMI grievance, or SMI appeal process or proceeding,
3. Comply with and/or implement any AHCCCS directive within the time specified pending formal resolution of the issue,
4. The Contractor shall require all staff facilitating in-person SMI Appeal conferences to have training in mediation, conflict resolution, or problem solving techniques, and
5. At all relevant times take into consideration the best clinical interests of the member when addressing provider or member SMI grievance and/or SMI appeal related concerns.

Appeals for Members with Serious Mental Illness: An SMI Appeal is an appeal filed pursuant to the provisions of Arizona Administrative Code (A.A.C.) R9-21-401 et seq. regarding decisions pertaining to behavioral health services for SMI members (or to eligibility decisions for those members seeking to become SMI eligible), including fees and waivers; assessments and further evaluations; service and treatment plans and planning decisions; and the implementation of those decisions. The SMI Appeals process may be utilized only by those members who already have an SMI designation or who are seeking to become SMI eligible. It is important to note that a person designated as SMI who is also TXIX/XXI eligible may appeal an adverse benefit determination (defined under 42 CFR 438.400 to include the denial or limited authorization of a requested service; the reduction, suspension, or termination of a previously authorized service; and/or the failure to provide a service in a timely manner) under either the SMI Appeals process or the TXIX/TXXI appeal process.

The SMI appeals process is a mediated process consisting of one or more appeal conferences at which the parties to the appeal discuss the appeal and seek a mediated resolution. If resolution is not achieved, the appellant may request an administrative hearing to decide the issue on appeal. Refer to A.A.C. R9-21-401 et seq. for further detail.

Grievances for Members with Serious Mental Illness: An SMI Grievance is an allegation of a rights violation against an SMI member relating to the provision of behavioral health services by a mental health agency, pursuant to A.A.C. R9-21-201 et seq. and A.A.C. R9-21-403 et seq. Anyone may file an SMI Grievance, but this process is limited to allegations of rights violations by a mental health agency against an SMI member relating to behavioral health services only. An SMI Grievance for the purposes of this paragraph is not the same as a Title XIX/XXI member grievance as specified in 42 CFR Part 438 subpart F which is defined as a member's expression of dissatisfaction with any matter, other than an adverse benefit determination, and may also be referred to as a complaint. A member designated SMI may file both an SMI Grievance and a complaint about any issue and shall not be required to exhaust the complaint process prior to filing an SMI Grievance.

The Contractor shall require investigators who conduct SMI Grievance investigations to be certified by the Council on Licensure, Enforcement, and Regulation (CLEAR) or by an equivalent certification program identified by the Contractor, which shall be submitted to AHCCCS for prior approval.

The Contractor shall submit a Non-Title XIX/XXI and SMI Grievance and Appeal Report as specified in Section F, Attachment F3, of the Contractor Chart of Deliverables.

26. NETWORK DEVELOPMENT

The Contractor shall develop and maintain a network of providers that:

1. Is sufficient in size, scope, and types to deliver all medically necessary covered services and satisfy all service delivery requirements in this Contract [42 CFR 438.206(b)(1)].
2. Delivers culturally and linguistically appropriate services in home and community-based settings for culturally and linguistically diverse populations. [42 CFR 457.1230(a), 42 CFR 438.206(b)(1)].

3. The development of home and community based services shall include provisions for the availability of services on a seven-day-a-week basis and for extended hours, as dictated by member needs [42 CFR 438.206(b)(1), 42 CFR 438.206(c)(1)(i)-(iii)].
4. Ensures its membership has access at least equal to community norms. [42 CFR 457.1230, 42 CFR 438.206(b)(1)]
5. Ensures covered services are provided promptly and are reasonably accessible in terms of location and hours of operation [42 CFR 457.1230, 42 CFR 438.206(b)(1)]
6. Places priority on allowing members, when appropriate, to reside or return to their own home and/or reside in the least restrictive environment.
7. Allows each member to choose his or her network provider to the extent possible and appropriate [42 CFR 457.1201(j), 42 CFR 438.3(l)].
8. Is designed, established and maintained by utilizing, at a minimum, the following:
 - a. Current and anticipated utilization of services,
 - b. Cultural and linguistic needs of members considering the prevalent languages spoken, including sign language, by populations [42 CFR 432.10(c)], and
 - c. The number of providers not accepting new referrals.
 - d. Consumer Satisfaction Survey data,
 - e. Member Grievance and Appeal data,
 - f. Issues, concerns and requests brought forth by State agencies and other system stakeholders that have involvement with persons eligible for services under this Contract,
 - g. Demographic data, and
 - h. Geo-mapping data.

In order to support access to behavioral health services, and to ensure the continuity and transition of member care, the Contractor is strongly encouraged to contract with behavioral health providers who have been participating in the following Access to Care initiatives:

1. Services for children including children in Department of Child Safety (DCS) custody and those diagnosed with Autism Spectrum Disorder (ASD),
2. Arizona Opioid State Targeted Response,
3. State Opioid Response,
4. Substance Use Disorder (SUD), and
5. First Episode Psychosis (FEP).

The Contractor is further encouraged to designate appropriate staff within Member Advocacy and/or Care Management Units who will be responsible for identifying and tracking transitioning members who are participating in these initiatives in order to minimize any potential gaps in care.

The Contractor is expected to design a network that provides a geographically convenient flow of patients among network providers to maximize member choice. The Contractor shall allow each member to choose his or her network provider to the extent possible and appropriate [42 CFR 457.1201(j), 42 CFR 438.3(l)].

Services shall be accessible to members in terms of timeliness, amount, duration and scope as those are available to beneficiaries under Fee-For-Service Medicaid [42 CFR 457.1230(d), 42 CFR 438.210(a)(2)]. The Contractor shall ensure its provider network provides physical access,

accessible equipment, reasonable accommodations, culturally competent communications, for all members including those with physical or cognitive disabilities. [42 CFR 457.1230(a), 42 CFR 438.206(c)(3)]. The Contractor shall meet network standards as specified in ACOM Policy 436. The Contractor may request an exception to these network standards; it shall submit such a request for AHCCCS approval as specified in ACOM Policy 436 and Section F, Attachment F3, Contractor Chart of Deliverables.

The Contractor shall design its provider networks to maximize the availability of community based primary care and specialty care access, including specialists that treat individuals with qualifying medical conditions under A.A.C R9-22-1303, to ensure reduction in: utilization of emergency services, one day hospital admissions, hospital based outpatient surgeries when lower cost surgery centers are available, and hospitalization for preventable medical problems.

The Contractor shall develop and maintain a network of providers that:

1. Responds to referrals 24 hours per day, seven days per week [42 CFR 438.206(c)(1)(iii)],
2. Responds to routine, urgent and emergent needs within the established timeframes in conformance with ACOM Policy 417, and [42 CFR 438.206],
3. Provides all covered services including emergency medical care on a 24 hours a day, seven days a week basis and timely access for routine and emergency services [42 CFR 438.206(c)(1)(i)-(iii)],
4. Provides evening or weekend access to appointments [42 CFR 438.206(c)(1)(ii)],
5. Provides all covered services within a continuum of care including crisis services in conformance with the requirements in the Scope of Work, Crisis Services Sections,
6. Includes peer and family support specialists,
7. Includes the Arizona State Hospital (AzSH),
8. Includes providers that offer services to both children and adults for members moving from one system of care to another system of care in order to maintain continuity of care without service disruptions or mandatory changes in service providers for those members who wish to keep the same provider,
9. Includes a sufficient number of locally established, Arizona-based, independent Peer-Run Organizations and Family-Run Organizations The Contractor shall provide technical assistance and support to Peer-Run Organizations and Family-Run Organizations as necessary,
10. Includes Master's and doctoral level trained clinicians in the fields of social work, counseling, marriage and family therapy, psychology, and substance use counseling, who are trained in implementation of best practices for medically and behaviorally complex conditions such as intellectual/cognitive disabilities, trauma-related disorders, substance use disorders, sexual disorders, individuals in need of dialectical behavioral therapy, and special age groups such as transition age youth and members aged birth to five years old,
11. Includes community-based providers including physicians, preventive, primary care, family planning, dental, behavioral health (including adult and child psychiatrists), laboratory, x-ray, therapy services, and other specialty providers through a network of community-based providers in accordance with network standards and which maximize member choice and ensure timely access to covered services [42 CFR 457.1230(a), 42 CFR 438.206(b)(7)],
12. Includes innovative service delivery mechanisms such as field clinics and virtual clinics that incorporate the use of telemedicine, teleconferencing among providers, and an Integrated Medical Record to provide multi-specialty, interdisciplinary care when needed in other areas of the State,

13. Includes community-based, family support providers in urban, suburban and rural areas of the State
14. Provides services to members who typically receive care in border communities,
15. Implements E-Prescribing within its provider network,
16. Develops policies and procedures for telemedicine,
17. Utilizes telemedicine to support an adequate provider network. Telemedicine shall not replace provider choice and/or member preference for physical delivery,
18. Develops incentive plans to recruit and retain BHP's and BHMP's in the local community,
19. Does not discriminate regarding participation in the AHCCCS program, reimbursement or indemnification against any provider based solely on the provider's type of licensure or certification [42 CFR 457.1208, 42 CFR 438.12(a)(1)-(2)],
20. Does not discriminate against particular providers that service high-need populations or specialize in conditions that require costly treatment [42 CFR 457.1208, 42 CFR 457.1233(a), 42 CFR 438.12(a)(2), 42 CFR 438.214(c)]. This provision, however, does not prohibit the Contractor from limiting provider participation, provided the needs of members are met. This provision also does not interfere with measures established by the Contractor to control costs consistent with its responsibilities under this Contract [42 CFR 438.12(b)(1)],
21. Timely notifies providers in writing of the reason for its decision if the Contractor declines to include individual or groups of providers in its network [42 CFR 438.12(a)(1)],
22. Develops a mobile crisis team network where 90% of all eligible members residing within the GSA will have geographical access to a contracted mobile crisis team within 60 minutes, and
23. Meets all applicable Network Standards set forth in ACOM Policy 436.

To ensure early intervention for newly enrolled members and to minimize disruption and facilitate continuity of services to existing members receiving services at the Human Services Campus in downtown Phoenix, Contractors in the Central GSA are expected to contract with all appropriate service providers for services delivered at the Campus in downtown Phoenix. If the Contractor fails to negotiate a contract, the Contractor shall allow members to access services from the non-contracted providers on the Campus, and reimburse providers for services at the Campus at the AHCCCS fee for service rate.

Treat and Refer Providers: If there are at least two Treat and Refer providers registered with AHCCCS in any/all areas served by the Contractor, the Contractor must enter into a contract with at least one provider.

Emergency Triage, Treat, and Transport: AHCCCS is committed to supporting and implementing the (Emergency Triage, Treat, and Transport (ET3) project payment model. AHCCCS expects the Contractor to participate in the payment model and contract with at least one registered provider.

Multi-Specialty Interdisciplinary Clinics: For members with special health care needs, including members with CRS conditions who could benefit from a multi-disciplinary approach, covered services shall be delivered through a combination of established Multi-Specialty Interdisciplinary Clinics (MSICs), Field Clinics, Virtual Clinics, and in community settings. The Contractor is expected to contract with all MSICs in the awarded GSA(s) and attempt to contract with any additional any MSICs which have provided services to the Contractor's members.

In the event the Contractor and an MSIC fail to negotiate a contract, the Contractor must continue to allow members to utilize the MSIC. In the absence of a contract, the Contractor shall reimburse the MSIC at the AHCCCS MSIC fee schedule.

With regard to procedure code T1015 and its application in the MSIC, the MCO shall not make payments for T1015 unless:

1. It is billed by an MSIC, and
2. For a CRS or former CRS member

The MSIC may include all services provided to a member on a single date of service on one claim form or multiple claim forms. If multiple claim forms, the MSIC NPI must be used as the rendering provider on each claim. A single MSIC is eligible for only one T1015 code payment per day.

The use of procedure code T1015 and its application to FQHCs/RHCs remains unchanged.

If the Contractor fails to negotiate contracts with all currently established MSICs in each of the Contractor's awarded GSA(s), the Contractor shall establish contracts for multispecialty interdisciplinary care provided at one location by a variety of providers. At a minimum, access to the following providers at each multispecialty interdisciplinary care site must be available:

1. Physicians,
2. Nurse Practitioners,
3. Physician Assistants,
4. Licensed Behavioral Health Professionals, and
5. Rehabilitation providers.

The Contractor shall take appropriate steps to include the availability of the following specialty providers at the single location:

1. Cardiologist,
2. Dentist,
3. Social Worker,
4. Nutritionist,
5. Psychiatrist,
6. Otolaryngologists,
7. Gastroenterologist,
8. Neurologist,
9. Ophthalmologist,
10. Surgeon,
11. Orthopedist,
12. Plastic surgeon,
13. Urologist, and
14. Audiologist.

In the event the Contractor and an MSIC fail to negotiate a contract, the Contractor shall submit a description outlining the alternative delivery model, including proposed multispecialty interdisciplinary care providers, to AHCCCS for review and approval as specified in ACOM Policy 436 and Section F, Attachment F3, Contractor Chart of Deliverables.

In addition to the clinic settings specified above, the Contractor shall also ensure a network of community based providers to include primary care, dental, and other specialty providers throughout the awarded GSA(s). Members shall not be restricted from receiving services from these community based providers.

Regardless of the setting, the Contractor shall develop and implement organizational structures and procedures that promote collaboration and consultation among multi-specialty treatment team members and community providers.

The Contractor shall establish a process to ensure coordination of care for members that includes allowing members with a CRS designation turning 21 the choice to continue being served by an MSIC that is able to provide services and coordinate care for adults with special healthcare needs.

Telehealth: Telehealth is defined as healthcare services delivered via asynchronous (store and forward), remote patient monitoring, teledentistry, or telemedicine (interactive audio and video). The Contractor shall promote the use of telehealth to support an adequate provider network. Telehealth shall not replace provider choice and/or member preference for physical delivery of services. The Contractor shall be responsible for the oversight, administration, and implementation of telehealth services in compliance with State and Federal laws and the requirements of this Contract and all incorporated references. The Contractor shall ensure that telehealth is available and utilized, when appropriate, to ensure geographic accessibility of services to members. The Contractor shall be responsible for developing and expanding the use and availability of telehealth services, when indicated and appropriate. Refer to AMPM Policy 320-I.

Graduate Medical Education Residency Training Programs: AHCCCS is committed to workforce development and support of the medical residency and dental student training programs in the State of Arizona. AHCCCS expects the Contractor to support these efforts. AHCCCS encourages plans to contract with or otherwise support the many Graduate Medical Education (GME) Residency Training Programs currently operating in the State and to investigate opportunities for resident participation in Contractor medical management and committee activities. In the event of a contract termination between the Contractor and a Graduate Medical Education Residency Training Program or training site, the Contractor may not remove members from that program in such a manner as to harm the stability of the program. Further, the Contractor must attempt to contract with graduating residents and providers that are opening new practices in, or relocating to, Arizona, especially in rural or underserved areas.

The Contractor is required to have available non-emergent after-hours physician or primary care services within its network. If the Contractor's network is unable to provide medically necessary services required under Contract, the Contractor shall ensure timely and adequate coverage of these services through an out of network provider until a network provider is contracted. The

Contractor shall ensure coordination with respect to authorization and payment issues in these circumstances [42 CFR 457.1230(a), 42 CFR 438.206(b)(4)-(5)].

The Contractor shall ensure that its network includes an adequate number of providers that can provide the services of a Local Alcoholism Reception Center (LARC) as specified by A.R.S. §36-2021(12) and A.R.S §36-2025. These providers must be reasonably accessible to all members enrolled with the Contractor. The Contractor shall ensure that the Local Alcoholism Reception Centers provide the services specified in A.R.S. Title 36, Chapter 18, Article 2.

AHCCCS may impose sanctions for material deficiencies in the Contractor's provider network.

The Contractor shall submit all deliverables related to Network Development as specified in Section F, Attachment F3, Contractor Chart of Deliverables.

Network Development for Integrated Health Care Service Delivery: The Contractor shall maximize the availability and access to community based primary care and specialty care providers. The Contractor shall reduce utilization of the following:

1. Non-emergent utilization of emergency room services.
2. Single day hospital admissions,
3. Avoidable hospital re-admissions,
4. Hospital based outpatient surgeries when lower cost surgery centers are available, and
5. Hospitalization for preventable medical conditions.

The Contractor must have availability of non-emergent after-hours physician services or primary care services and subcontracts with homeless clinics in Maricopa County at the AHCCCS FFS rate for Primary Care services. Subcontracts must stipulate that:

1. Only those SMI members that request a homeless clinic as their PCP receive such assignment, and
2. SMI members assigned to a homeless clinic may be referred to out-of-network providers for needed specialty services.

The Contractor shall assist homeless clinics with administrative issues such as obtaining prior authorization, and resolving claims issues and attend meetings as necessary with homeless clinics to resolve administrative issues and perceived barriers to the homeless members receiving care.

The Contractor shall develop, maintain and monitor a provider network that is supported by written agreements and which is sufficient to provide all covered services to AHCCCS members, including those with Limited English Proficiency or physical or cognitive disabilities [42 CFR 457.1230(a), 42 CFR 438.206(b)(1)].

The Contractor shall use processes, strategies, evidentiary standards, or other factors in determining access to out-of-network providers for mental health or substance use disorder benefits that are comparable to, and applied no more stringently than, any processes, strategies, evidentiary standards, or other factors used to determine access to out-of-network providers for medical/surgical benefits in the same classification [42 CFR 457.1201(1), 42 CFR 438.910(d)(3) and (5)].

The Contractor shall comply with the network requirements in Section D, Paragraph 29, Primary Care Provider Standards and with the Network requirements in the Section D, Paragraph 28, Network Development.

Arizona Early Intervention Program: The Contractor shall comply with the requirements of the Arizona Early Intervention Program (AzEIP). The AzEIP is implemented through the coordinated activities of the ADES, ADHS, Arizona State Schools for the Deaf and Blind (ASDB), AHCCCS, and ADE. The AzEIP Program is governed by the Individuals with Disabilities Act (IDEA), Part C (P.L.105-17). AzEIP, through Federal regulation, is stipulated as the payor of last resort to Medicaid, and is prohibited from supplanting another entitlement program, including Medicaid. The Contractor must pay all AHCCCS registered AzEIP providers, regardless of their contract status with the Contractor, when Service Plans identify and meet the requirement for medically necessary EPSDT covered services. Refer to AMPM Policy 430, Attachment 430-3. AHCCCS has developed an AzEIP Speech Therapy Fee Schedule and rates incorporating one procedure code, along with related modifiers, settings, and group sizes. The Contractor shall utilize this methodology and these rates for payment for the speech therapy procedure when provided to an AHCCCS member who is a child identified in the AHCCCS system as an AzEIP recipient.

The Contractor shall not discriminate with respect to participation in the AHCCCS program, reimbursement or indemnification against any provider solely on the provider's type of licensure or certification [42 CFR 457.1208, 42 CFR 438.12(a)(1)-(2)]. In addition, the Contractor must not discriminate against particular providers that service high-risk populations or specialize in conditions that require costly treatment [42 CFR 457.1208, 42 CFR 457.1233(a), 42 CFR 438.12(a)(2), 42 CFR 438.214(c)]. This provision, however, does not prohibit the Contractor from limiting provider participation to the extent necessary to meet the needs of the Contractor's members. This provision also does not interfere with measures established by the Contractor to control costs and quality consistent with its responsibilities under this Contract nor does it preclude the Contractor from using different reimbursement amounts for different specialists or for different practitioners in the same specialty [42 CFR 457.1208, 42 CFR 438.12(b)(1)-(3)]. If the Contractor declines to include individuals or groups of providers in its network, it must give the affected providers timely written notice of the reason for its decision [42 CFR 457.1208, 42 CFR 438.12(a)(1)].

Centers of Excellence: The Contractor shall contract with Centers of Excellence which implement evidence based practices and track outcomes for members with specialized healthcare needs. See Section D, Paragraph 72, Value-Based Purchasing.

Homeless Management Information System: AHCCCS encourages coordination and collaboration with other systems of care that serve its members in order to improve health outcomes. Because of the documented intersection between AHCCCS members with acute mental and physical health needs and homelessness, AHCCCS intends to coordinate with the Lead Agencies and HMIS Administrators in all three HUD-recognized Homeless Continua of Care (CoC) (Maricopa Regional CoC, the Tucson-Pima CoC and the Balance of State CoC) to develop data sharing between AHCCCS and their HUD-mandated Homeless Management Information Systems (HMIS). Through this data sharing and coordination, AHCCCS intends to improve member access to, expanded resources and health and housing outcomes, improved provider service delivery and intra and inter system coordination for AHCCCS and the CoCs.

AHCCCS requires all contracted Managed Care Organizations to support this effort by ensuring key program and operational staff participate in the planning and implementation of data sharing structure and protocols. The Contractor shall participate in any additional activities to support this such as:

1. Timely entry and upload of designated member data into HMIS and/or AHCCCS systems using defined standards,
2. Compliance with all AHCCCS and HUD HMIS legal standards around data releases and confidentiality,
3. Participation in discussion around care coordination and collaboration,
4. Commitment to improved case coordination based on data informed approaches based on data from sharing,
5. Participation in any shared reporting and evaluation related to HMIS/AHCCCS data sharing,
6. Support of training and ongoing participation of designated provider staff in HMIS protocols,
7. Covering any agency or user fees associated with HMIS usage, and
8. Any other necessary duties and tasks identified in planning process.

Targeted Investment Providers: Refer to Section D, Paragraph 50, Compensation for contracting requirements related to the Targeted Investment Program.

Workforce Development: In accordance with ACOM Policy 407 the Contractor shall establish and maintain a Workforce Development Operation (WFDO). The WFDO works together with the Contractor's Network and Quality Management functions to ensure the provider network has:

1. Sufficient *workforce capacity* - An appropriate number of qualified workers needed to provide service,
2. Required level of *workforce capability* – Workers who are interpersonally, clinically, culturally, and technically competent in the skills needed to provide services, and
3. *Connected workplaces* – Providers with an internal capacity for developing their workforce and or are connected to external workforce development resources.

The Contractor's WFDO shall consist of the following components:

1. A Workforce Development Administrator,
2. A WFDO that is organizationally aligned with the Contractor's Network Management and Quality Management functions. The WFDO is the organizational structure, personnel, processes and resources, the Contractor implements to monitor and assess current workforce capacity and capability, forecast and plan future workforce capacities and capabilities and when indicated, deliver technical assistance to provider organizations to strengthen their WFD programs,
3. A Professional Development Plan for the Workforce Development Administrator,
4. Data collection and information processing resources for assessing the current level of workforce capacity and capability strengths and deficits as well as forecasting and planning strategies that address future workforce requirements,
5. Single Learning Management System Contract. AHCCCS requires the Contractor to:
 - a. Collaborate with all other Contractors in using a single, statewide, Learning Management System (LMS) to administer the delivery, documentation, tracking and reporting of all required education and training programs, and

- b. Financially support the contract made between the Arizona Association of Health Plans (AzAHP) and the LMS vendor.

The WFDO performs the following functions:

1. Leads the Contractor's internal WFD efforts and represent the Contractor as a member of the AZAHP WFD Alliance as well as other workforce related workgroups and committees,
2. Produces the Contractor's Network Workforce Development Plan and contributes to the WFD Alliance's Annual Collaborative Assessment and Forecast of WFD Priorities of system wide workforce development needs and solutions for addressing them,
3. Ensures that Providers are in compliance with all AHCCCS required workforce training and competency requirements and practices,
4. Ensures that providers have access to and are in compliance with all training programs and practices required by the Report of the Abuse & Neglect Prevention Task Force to Governor Douglas A. Ducey (November 1, 2019):
 - a. Resources and training programs to assist professionals and family caregivers prevent and manage stress and burnout
 - b. Training for all personnel in the prevention and detection of all forms of abuse and neglect, and
 - c. Routine exercises and drills to test the reactions of staff to simulated conditions where abuse and neglect could potentially occur are incorporated into the providers ongoing workforce/staff training and development plan.
5. Collect and analyze workforce data needed to prepare required and ad hoc workforce assessment reports, forecasts and plans,
6. In recognition of the interconnected relationships that providers have with multiple health plans, coordinate the provision of technical assistance to Network Providers on WFD processes such as recruitment, selection, training, deployment and retention,
7. Participate in routine and ad hoc WFD meetings with the AHCCCS Administrator of Healthcare Workforce Development as well as with the AZAHP WFD Alliance.

The Contractor shall submit deliverables related to WFD as specified in Section F, Attachment F3, Contractor Chart of Deliverables.

Network Development and Management Plan: The Contractor shall develop and maintain a Network Development and Management Plan (NDMP) to demonstrate that it maintains a network of providers that is sufficient in number, mix, and geographic distribution to meet the needs of the anticipated number of members in the service area and which ensures the provision of covered services [42 CFR 457.1230(b), 42 CFR 438.207(b)(1)-(2)]. The submission of the NDMP to AHCCCS is an assurance of the adequacy and sufficiency of the Contractor's provider network. The NDMP shall be evaluated, updated annually and submitted to AHCCCS as specified in Section F, Attachment F3, Contractor Chart of Deliverables. The NDMP must include the requirements specified in ACOM Policy 415.

The Contractor shall continually assess network sufficiency and capacity using multiple data sources to monitor appointment standards, member grievances, appeals, quality data, quality improvement data, utilization of services, member satisfaction surveys, and demographic data requirements. The Contractor shall also develop non-financial incentive programs to increase participation in its provider network when feasible [42 CFR 438.604(a)(5), 42 CFR 438.606, 42

CFR 438.207(b)-(c), 42 CFR 438.206]. The Contractor shall also submit, as needed, an assurance when there has been a material significant change in provider network or operations that would affect adequate capacity and services as specified in ACOM Policy 439 and as specified in Section F, Attachment F3, Contractor Chart of Deliverables. These changes would include, but would not be limited to, changes in services, covered benefits, geographic service areas, composition of or payments to its provider network, or eligibility of a new population [42 CFR 438.604(a)(5), 42 CFR 438.606, 42 CFR 438.207(b)(c), 42 CFR 438.206].

The Contractor shall maintain a sufficient network in accordance with the requirements specified in ACOM Policy 436, 42 CFR 457.1218, 42 CFR 438.68, 42 CFR 438.206(c)(1), 42 CFR 438.207(a), 42 CFR 438.207(c). In the event a Contractor is not able to meet set network standards, AHCCCS may review requested exceptions based upon a number of factors, including but not limited to, availability of out of network providers and geographic limitations of the service area [42 CFR 457.1218, 42 CFR 438.68].

AHCCCS may impose Administrative Actions for material deficiencies in the Contractor's provider network.

Durable Medical Equipment Service Delivery: Durable Medical Equipment (DME) (e.g. wheelchairs, walkers, hospital beds, and oxygen equipment) is critical in optimizing the member's independence and functional level, both physically and mentally, and to support service delivery in the most integrated setting and foster engagement in the community. The Contractor is required to provide medically necessary DME to members in a timely manner consistent with AHCCCS Policy. The Contractor shall track and report timeliness of DME Service Delivery as specified in Section F, Attachment F3, Contractor Chart of Deliverables.

The Contractor shall submit all deliverables related to Network Development as specified in Section F, Attachment F3, Contractor Chart of Deliverables.

27. PROVIDER AFFILIATION TRANSMISSION

The Contractor shall collect and submit information regarding its entire contracted provider network in the format specified in the AHCCCS Provider Affiliation Transmission (PAT) User Manual which can be found on the AHCCCS website.

The Contractor shall also validate its compliance with minimum network requirements against the network information provided in the PAT through the submission of a completed Minimum Network Requirements Verification Template as specified in ACOM Policy 436, Attachment A. The PAT and the Minimum Network Requirements Verification Template shall be submitted as specified in Section F, Attachment F3, Contractor Chart of Deliverables.

28. NETWORK MANAGEMENT

The Contractor shall have written policies and procedures on how the Contractor will [42 CFR 457.1208, 42 CFR 457.1233(a), 42 CFR 438.12(a)(2), 42 CFR 438.214(a)]:

1. Communicate and negotiate with the network regarding contractual and/or program changes and requirements,

2. Monitor network compliance with policies and Rules of AHCCCS and the Contractor, including compliance with all policies and procedures related to the grievance/appeal processes and ensuring the member's care is not compromised during the grievance/appeal processes,
3. Evaluate the quality of services delivered by the network,
4. Provide or arrange for medically necessary covered services should the network become temporarily insufficient within the contracted service area,
5. Monitor the adequacy, accessibility and availability of its provider network to meet the needs of its members, including the provision of care to members with limited proficiency in English;
6. Process provisional credentials,
7. Recruit, select, credential, re-credential and contract with providers in a manner that incorporate quality management, utilization, office audits and provider profiling,
8. Provide training for its providers and maintain records of such training,
9. Track and trend provider inquiries/complaints/requests for information and take systemic action as necessary and appropriate, and
10. Ensure that provider calls are acknowledged within three business days of receipt; resolved and/or state the result communicated to the provider within 30 business days of receipt (this includes referrals from AHCCCS).

Contractor policies are subject to approval by AHCCCS/DHCM, and are monitored through Operational Reviews.

The Contractor shall monitor providers to demonstrate compliance with all network requirements in this Contract.

Facility and Member Placement Report: The Contractor shall comply with ACOM Policy 415 and submit the Facility and Member Placement Report as specified in Section F, Attachment F3, Contractor Chart of Deliverables.

Material Change to the Provider Network: The Contractor is responsible for evaluating all provider network changes, including unexpected or significant changes, and determining whether those changes are material changes to the Contractor's provider network. These changes could include, but would not be limited to, changes in services, covered benefits, geographic service areas, composition of or payments to its provider network, or eligibility of a new population. Material changes to the provider network must be approved in advance by AHCCCS. The Contractor must submit the required documentation as specified in ACOM Policy 439 and Section F, Attachment F3, Contractor Chart of Deliverables [42 CFR 457.1230(b), 42 CFR 457.1285, 42 CFR 438.604(a)(5), 42 CFR 438.606, 42 CFR 438.608(a)(4), 42 CFR 438.207(b)-(c), 42 CFR 438.206].

Out of Network Providers: The Contractor shall, provide adequate, timely and medically necessary covered services through an out-of-network provider if Contractor's network is unable to provide adequate and timely services required under this Contract and continue to provide services by an out of network provider until a network provider is available [42 CFR 438.206(b)(4)].

The Contractor shall coordinate with out-of-network providers for authorization and payment [42 CFR 438.206(b)(4)-(5)].

For SMI members eligible to receive physical health care services under this Contract, the Contractor shall:

1. Reimburse (non-contracted) providers for non-hospital, non-emergent in State services when directed out of network by the Contractor not less than the AHCCCS capped fee-for-service schedule for physical health services.
2. Permit the provider to become an in network provider at the Contractor's in network rates.
3. Offer the provider a single case agreement if the provider is unwilling to become a network provider but is willing to continue providing physical health care services to the SMI member at the Contractor's in network rates.

Provider Forums: The Contractor shall hold a Provider Forum no less than semi-annually. The forum must be chaired by the Contractor's Administrator/CEO or designee. The purpose of the forum is to improve communication between the Contractor and its providers, and shall be open to all providers including dental providers. The Provider Forum shall not be the only venue for the Contractor to communicate and participate in the issues affecting the provider network. The Provider Forum meeting agendas and minutes must be made available to AHCCCS upon request. The Contractor shall report information discussed during these Forums to Executive Management within the organization and conduct meetings with providers to address issues (or to provide general information, technical assistance, etc.) related to Federal and State requirements, changes in policy, reimbursement matters, prior authorization and other matters as specified by AHCCCS.

In addition to the provider forum, the Contractor shall coordinate a semi-annual meeting with a broad spectrum of behavioral health providers to gather input; discuss issues; identify challenges and barriers; problem-solve; share information and strategize ways to improve or strengthen the health care service delivery.

Provider/Network Changes Report: The Contractor shall comply with ACOM Policy 415 and submit the Provider/Network Changes Due to Rates Report as specified in Section F, Attachment F3, Contractor Chart of Deliverables.

29. PRIMARY CARE PROVIDER STANDARDS

The Contractor shall include in its provider network a sufficient number of Primary Care Providers (PCPs) to meet the requirements of this Contract [42 CFR 438.206(b)(2)].

The Contractor shall assess the PCP's ability to meet AHCCCS appointment availability and other standards when determining the appropriate number of its members to be assigned to the PCP. The Contractor shall adjust the size of a PCP's panel, as needed, for the PCP to meet AHCCCS appointment and clinical performance standards. AHCCCS shall inform the Contractor when a PCP has a panel of more than 1800 AHCCCS members (i.e. 1800 report), to assist in the assessment of the size of their panel. This information will be provided on a quarterly basis.

The Contractor shall have a system in place to monitor and ensure that each member is assigned to an individual PCP who serves as a coordinator in referring the member for specialty medical

services and that the Contractor's data regarding PCP assignments is current. The Contractor is encouraged to develop a methodology to assign members to those providers participating in value-based purchasing initiatives who have demonstrated high value services or improved outcomes. The Contractor is encouraged to assign members with complex medical conditions, who are age 12 and younger, to board certified pediatricians. PCPs with assigned members diagnosed with AIDS or as HIV positive shall meet criteria and standards set forth in the AMPM. The Contractor shall provide information to the member on how to contact the member's assigned PCP [42 CFR 457.1230(c), 42 CFR 438.208(b)(1)].

The Contractor shall make PCP assignment rosters available to providers within 10 business days of a provider's request, as specified in ACOM Policy 416.

The Contractor shall work collaboratively with the Arizona Association of Health Plans (AzAHP) to identify and adopt consistent processes across all Contractors for the process of receiving requests and providing PCP assignment rosters.

The Contractor shall ensure that providers serving EPSDT-aged members utilize AHCCCS-approved EPSDT Tracking forms and standardized developmental screening tools and are trained in the use of the tools. EPSDT-aged members shall be assigned to providers who are trained on and who use AHCCCS approved developmental screening tools.

The Contractor shall ensure that primary care services are available and accessible in the communities in which members would access routine health care services. In addition, the Contractor shall have a network of specialty providers available to provide care and services in the community in addition to those specialty and multi-disciplinary services that are available through the MSIC, thereby maximizing member choice.

The Contractor shall offer members freedom of choice within its network in selecting a PCP consistent with 42 CFR 438.6(m), 42 CFR 438.52(d), 42 CFR 438.14(b)(3) and this Contract. Any American Indian who is enrolled with the Contractor and who is eligible to receive services from a Urban Indian Health Program PCP participating as a Contractor's network provider, is permitted to choose Urban Indian Health Program as his or her primary care provider as long as that provider has capacity to provide the services [American Reinvestment and Recovery Act (ARRA) Section 5006(d), 42 CFR 457.1209, SMDL 10-001, 42 CFR 438.14(b)(3), 42 CFR 447].

The Contractor may restrict this choice when a member has shown an inability to form a relationship with a PCP, as evidenced by frequent changes, or when there is a medically necessary reason. When a new member has been assigned to the Contractor, the Contractor shall inform the member in writing of his enrollment and of his PCP assignment within 12 business days of the Contractor's receipt of notification of assignment by AHCCCS. Refer to ACOM Policy 404 and ACOM Policy 406 for member information requirements.

At a minimum, the Contractor shall hold the PCP responsible for the following activities:

1. Supervising, coordinating and providing care to each assigned member (except for well woman exams and children's dental services when provided without a PCP referral),
2. Initiating referrals for medically necessary specialty care,
3. Maintaining continuity of care for each assigned member,

4. Maintaining the member's medical record, including documentation of all services provided to the member by the PCP, as well as any specialty or referral services including behavioral health,
5. Utilizing the AHCCCS approved EPSDT Tracking form,
6. Providing clinical information regarding member's health and medications to the treating provider, including behavioral health providers, within 10 business days of a request from the provider,
7. If serving children, for enrolling as a Vaccines for Children (VFC) provider, and
8. Check the Arizona State Board of Pharmacy Controlled Substance Prescription Monitoring Program (CSPMP) when prescribing controlled medications in accordance with A.R.S §36-2606.

Refer to requirements specified in AMPM Policy 510.

The Contractor shall establish and implement policies and procedures to monitor PCP activities and to ensure that PCPs are adequately notified of, and receive documentation regarding, specialty and referral services provided to assigned members by specialty physicians, and other health care professionals.

30. MATERNITY CARE PROVIDER REQUIREMENTS

The Contractor shall ensure that a maternity care provider is designated for each pregnant member for the duration of her pregnancy and postpartum care and that those maternity services are provided in accordance with the AMPM. The Contractor may include in its provider network the following maternity care providers:

1. Arizona licensed allopathic and/or osteopathic physicians who are obstetricians or general practice/family practice providers who provide maternity care services,
2. Physician Assistants,
3. Nurse Practitioners,
4. Certified Nurse Midwives, and
5. Licensed Midwives.

Pregnant members may choose, or be assigned, a PCP who provides obstetrical care. Such assignment shall be consistent with the freedom of choice requirements for selecting health care professionals while ensuring that the continuity of care is not compromised. Members receiving maternity services from a certified nurse midwife or a licensed midwife must also be assigned to a PCP for other health care and medical services. A certified nurse midwife may provide primary care services that he or she is willing to provide and that the member elects to receive from the certified nurse midwife. Members receiving care from a certified nurse midwife may elect to receive some or all primary care from the assigned PCP. Licensed midwives may not provide any additional medical services as primary care is not within their scope of practice.

All physicians and certified nurse midwives who perform deliveries shall have hospital privileges for obstetrical services. Practitioners performing deliveries in alternate settings shall have a documented hospital coverage agreement. Licensed midwives perform deliveries only in the member's home. Labor and delivery services may be provided in the member's home by

physicians, nurse practitioners, and certified nurse midwives who include such services within their practice.

31. REFERRAL MANAGEMENT PROCEDURES AND STANDARDS

The Contractor shall establish written criteria and procedures for accepting and acting upon referrals, including emergency referrals. The Contractor shall include in the written criteria the definition of a referral as any oral, written, faxed or electronic request for services made by the member or member's legal guardian, family member, an AHCCCS Contractor, PCP, hospital, court, Tribe, IHS, school, or other State or community agency. The Contractor shall have a process to refer any member who requests information or is about to lose AHCCCS eligibility or other benefits to options for low-cost or no-cost health care services. The Contractor must ensure that training and education are available to PCPs regarding behavioral health referrals and consultation procedures.

Disposition of Referrals: The Contractor shall, when appropriate, communicate the final disposition of each referral from PCPs, AHCCCS Contractors, Department of Education/School Districts and State social service agencies to the referral source and Health Plan within 30 days of the member receiving an initial assessment. If a member declines behavioral health services, the final disposition must be communicated to the referral source and health plan within 30 days of the referral, when applicable. The final disposition shall include, at a minimum:

1. The date the member received an initial assessment,
2. The name and contact information of the provider accepting primary responsibility for the member's behavioral health care, or
3. Indicate that a follow-up to the referral was conducted but no services were delivered and the reason why no services were delivered including members who failed to present for an appointment.

The Contractor must document the reason for non-delivery of services to demonstrate that the Contractor or provider either attempted to contact the member on at least three occasions and was unable to locate the member or contacted the member and the member declined services.

Referral for a Second Opinion: The Contractor must allow for a second opinion from a qualified health care professional within the network, or if one is not available in network, arrange for the member to obtain one outside the network at no cost to the member [42 CFR 457.1230(a), 42 CFR 438.206(b)(3)]. Additional Referral Management Requirements for SMI Members receiving physical health care services, the Contractor shall establish and implement written procedures for referrals to specialists or other services, to include, at a minimum, the following:

1. Use of Contractor's referral process,
2. Requirements for referral and intake in order to ensure member access to behavioral health services. Refer to AMPM Policy 580, and
3. Referrals to specialty physician services shall be from a PCP, except as follows:
 - a. Women shall have direct access to in-network OB/GYN providers, including physicians, physician assistants and nurse practitioners within the scope of their practice, without a referral for preventive and routine services [42 CFR 457.1230(a), 42 CFR 438.206(b)(2)].

For members with special health care needs determined to need a specialized course of treatment or regular care monitoring, the Contractor must have procedures in place to allow

members to directly access a specialist (for example through a standing referral or an approved number of visits) as appropriate for the member's condition and identified needs [42 CFR 438.208(c)(4)]. For members transitioning, see Section D, Paragraph 8, Transition Activities.

Specialty physicians shall not begin a course of treatment for a medical condition other than that for which the member was referred, unless approved by the member's PCP. The Contractor shall have a process for the member's PCP to receive all specialist and consulting reports and a process for the PCP to follow-up on all referrals including CRS, Dental, and EPSDT referrals for behavioral health services.

The Contractor shall comply with all applicable physician referral requirements and conditions defined in Sections 1903(s) and 1877 of the Social Security Act and corresponding regulations which include, but are not limited to 42 CFR Part 411, Part 424, Part 435 and Part 455. Sections 1903(s) and 1877 of the Social Security Act prohibits physicians from making referrals for designated health services to health care entities with which the physician or a member of the physician's family has a financial relationship. Designated health services include, at a minimum:

1. Clinical laboratory services,
2. Physical therapy services,
3. Occupational therapy services,
4. Outpatient speech-language pathology services,
5. Radiology and certain other imaging services,
6. Radiation therapy services and supplies,
7. Medical equipment, including appliances and supplies,
8. Parenteral and enteral nutrients, equipment and supplies,
9. Prosthetics, orthotics, and prosthetic devices and supplies,
10. Home health services,
11. Outpatient prescription drugs, and
12. Inpatient and outpatient hospital services.

The Contractor shall have a process for referral to Medicare, as applicable.

32. APPOINTMENT STANDARDS

The Contractor shall:

1. Develop and implement policies and procedures to actively monitor and track provider compliance with appointment availability standards and timeliness of appointments for members as specified in ACOM Policy 417, and as specified in Section F, Attachment F3, Contractor Chart of Deliverables [42 CFR 438.206(c)(1)].
2. The Contractor shall ensure that providers offer a range of appointment availability, per appointment timeliness standards, for intakes, initial services and ongoing services based upon the clinical need of the member. The exclusive use of same-day only appointment scheduling and/or open access is prohibited within the Contractor's network.
3. Pursuant to A.R.S. §8-201.01, for children in the foster care system, if an initial behavioral health appointment is not provided within 21 days of the initial assessment the member may access services directly from any AHCCCS registered provider regardless of whether the provider is contracted with the Contractor. If the provider is not contracted with the Contractor, the provider must submit the claim to the Contractor and the Contractor shall

- reimburse the provider at the lesser of 130% of the AHCCCS system's negotiated rate or the provider's standard rate.
4. For wait time in the office, the Contractor shall actively monitor and ensure that a member's waiting time for a scheduled appointment at the provider's office is no more than 45 minutes, except when the provider is unavailable due to an emergency.
 5. For referrals from a PCP or Health Plan for a member to receive a psychiatric evaluation or medication management, appointments with a behavioral health medical professional, according to the needs of the member, and within the appointment standards specified above, with appropriate interventions to prevent a member from experiencing a lapse in medically necessary psychotropic medications.
 6. enrolled members, the Contractor shall ensure that a behavioral health screening is conducted within 72 hours of removal from the member's home, as outlined in ACOM Policy.
 7. Monitor subcontractor compliance with appointment standards and require corrective action when the standards are not met [42 CFR 457.1230(a), 42 CFR 438.206(c)(1)(iv)-(vi)].
 8. Require all disputes to be resolved promptly and intervene and resolve disputes regarding the need for emergency or routine appointments between the subcontractor and the referral source that cannot be resolved informally.
 9. Provide transportation to all Medicaid eligible members for covered services including SMI members receiving physical health care services under this Contract who have specialized health care needs such as dialysis, radiation and chemotherapy so that the member arrives no sooner than one hour before the appointment, and does not have to wait for more than one hour after the conclusion of the appointment for return transportation.
 10. Develop and implement performance auditing protocol to evaluate compliance with the standards for all subcontracted transportation providers and require corrective action if standards are not met. The Contractor shall report this information as specified in the AHCCCS Grievance and Appeal System Reporting Guide and Section F, Attachment F3, Contractor Chart of Deliverables.
 11. Accept and respond to emergency referrals of Title XIX/XXI eligible members with SMI 24 hours a day, seven days a week. Emergency referrals do not require prior authorization. Emergency referrals include those initiated for Title XIX/XXI eligible with SMI members admitted to a hospital or treated in the emergency room.
 12. Respond within 24 hours upon receipt of an emergency referral.
 13. Require that transportation services be pre-arranged for members with recurring and on-going behavioral and physical health care needs, including, but not limited to, dialysis, radiation, chemotherapy, etc.
 14. Have written policies and procedures about educating its provider network regarding appointment time requirements. The Contractor must develop a corrective action plan (CAP) when appointment standards are not met. In addition, the Contractor must develop a corrective action plan in conjunction with the provider when appropriate [42 CFR 438.206(c)(1)(iv),(v)and(vi)]. Appointment standards shall be included in the Contractor's Provider Manual. The Contractor is encouraged to include the standards in the provider subcontracts.
 15. Respond to all requests for services and schedule emergency and routine appointments consistent with the appointment standards in this Contract.
 16. The Contractor is required to conduct regular reviews of the availability of providers and report this information as specified in Section F, Attachment F3, Contractor Chart of Deliverables.

The Contractor shall ensure members have timely access to medically necessary non-emergent transportation for routine appointments. Additionally, the Contractor shall have a process in place for members to request and receive medically necessary transportation for urgent appointments. The Contractor shall schedule transportation so that the member arrives on time for the appointment, but no sooner than one hour before the appointment; nor have to wait more than one hour after the conclusion of the treatment for transportation home; nor be picked up prior to the completion of treatment. The Contractor shall develop and implement a quarterly performance auditing protocol to evaluate compliance with the standards for all subcontracted transportation vendors/brokers and require corrective action if standards are not met.

The Contractor shall ensure that populations with ongoing medical needs, including but not limited to dialysis, radiation and chemotherapy, have coordinated, reliable, medically necessary transportation to ensure members arrive on-time for regularly scheduled appointments and are picked up upon completion of the entire scheduled treatment.

Additional Requirements for Members with Serous Mental Illness: For members with Serous Mental Illness (SMI), eligible to receive physical health care services, the Contractor shall monitor appointment availability utilizing the methodology found in ACOM Policy 417. The Contractor shall utilize the results from appointment standards monitoring to assure adequate appointment availability in order to reduce unnecessary emergency department or crisis services utilization. The Contractor must consider utilizing non-emergency facilities to address member non-emergency care issues occurring after regular office hours or on weekends. The Contractor shall develop and distribute written policies and procedures for network providers regarding appointment time standards and requirements. The Contractor must establish processes to monitor and reduce the appointment “no show” rate by provider and service type. As best practices are identified, AHCCCS may require implementation by the Contractor and submit reports as specified in Section F, Attachment F3, Contractor Chart of Deliverables.

33. FEDERALLY QUALIFIED HEALTH CENTERS AND RURAL HEALTH CLINICS

The Contractor is encouraged to use Federally Qualified Health Centers and Rural Health Clinics (FQHCs/RHCs) and FQHC Look-Alike in Arizona to provide covered services. FQHCs/RHCs and FQHC Look-Alikes are paid unique, cost-based Prospective Payment System (PPS) rates for the majority of non-pharmacy ambulatory Medicaid-covered services. The PPS rate is an all-inclusive per visit rate.

To ensure compliance with the requirement of 42 USC 1396b(m)(2)(A)(ix) which requires that the Contractor’s payments, in aggregate, will not be less than the level and amount of payment which the Contractor would make for the services if the services were furnished by a provider which is not a FQHC or RHC or FQHC Look-Alike, the Contractor shall pay the unique PPS rates to FQHCs/RHCs and FQHC Look-Alikes for PPS-eligible visits. Reimbursement of case management, behavioral health group therapy, and telehealth and telemedicine services provided by a FQHC or RHC shall be in accordance with AMPM Policy 670. For services not eligible for PPS reimbursement, the Contractor shall negotiate rates of payment with FQHCs/RHCs and FQHC Look-Alikes for non-pharmacy services that are comparable to the rates paid to providers that provide similar services. Refer to Section D, Paragraph 50, Compensation, *Delivery System and Provider Payment Initiatives* for information related to Differential Adjusted Payments for FQHCs.

The Contractor shall be required to submit member information for members for each FQHC/RHC/FQHC Look-Alikes as specified in Section F, Attachment F3, Contractor Chart of Deliverables, and the AHCCCS Financial Reporting Guide. AHCCCS will perform periodic audits of the member information submitted. Refer to the AHCCCS Financial Reporting Guide for further guidance. The FQHCs/RHCs and FQHC Look-Alikes registered with AHCCCS are listed on the AHCCCS website.

Refer to Section D, Paragraph 9, Scope of Services, for information related to 340B Drug Pricing.

34. PROVIDER MANUAL

The Contractor shall develop, distribute, and maintain a Provider Manual as specified in ACOM Policy 416.

35. PROVIDER ENROLLMENT/TERMINATION

The Contractor shall ensure that all of its subcontractors register with AHCCCS as an approved service provider (i.e. AHCCCS registered provider) consistent with provider disclosure, screening, and enrollment requirements [42 CFR 457.1285, 42 CFR 438.608, 42 CFR 455.100-106, 42 CFR 455.400-470]. This includes, but may not be limited to, the Contractor ensuring that all subcontractors provide to AHCCCS their identifying information such as name, specialty, date of birth, Social Security number, national provider identifier, Federal taxpayer identification number, and the State license or certification number of the provider.

For specific requirements on Provider Enrollment refer to the AHCCCS website.

The National Provider Identifier (NPI), for all providers eligible for an NPI, is required on all claim submissions from providers and subsequent encounters from MCO's to AHCCCS. The Contractor shall work with providers to obtain the NPI. AHCCCS reserves the right to withhold all payments for services where a provider who is eligible for enrollment with AHCCCS has not become an AHCCCS registered provider. AHCCCS further reserves the right to recoup or recover all payments made to such a provider who was eligible for enrollment with AHCCCS but has not become an AHCCCS registered provider.

Except as otherwise required by law or as otherwise specified in a contract between a Contractor and a provider, the AHCCCS Fee-For-Service provisions referenced in the AHCCCS Provider Participation Agreement located on the AHCCCS website (e.g. billing requirements, coding standards, payment rates) are in force between the provider and Contractor.

AHCCCS will screen and enroll, and periodically revalidate all of the Contractor's subcontracted providers as Medicaid providers as specified by 42 CFR 457.1285 and 42 CFR 438.602(b)(1).

36. SUBCONTRACTS

The Contractor shall be held fully liable for the performance of all Contract requirements. Subject to limitations as specified in this Contract, any function required to be provided by the Contractor pursuant to this Contract may be subcontracted to a qualified individual or organization [42 CFR 438.6]. Notwithstanding any relationship(s) the Contractor may have with

any subcontractor, the Contractor maintains ultimate responsibility for adhering to and otherwise fully complying with all terms and conditions of this Contract [42 CFR 457.1201(i), 42 CFR 457.1233(b), 42 CFR 438.230(b)(1), 42 CFR 438.3(k)]. The Contractor shall require subcontracted providers to have a license, registration, certification or accreditation in conformance with AMPM Policy 310-B and AMPM Exhibit 300-2A, or other State or Federal law and regulations.

A Change in Contractor Organizational Structure of an Administrative Services Subcontractor of the Contractor requires prior approval of AHCCCS, as specified in ACOM Policy 438.

For Minimum Subcontract Requirements, the Contractor shall:

1. Be responsible for the administration, management, and compliance with all requirements of this Contract, any subcontracts and hold subcontractors accountable for complying with all Contract terms, obligations and performance. The Contractor shall oversee, and is accountable for, any functions and responsibilities that it delegates to any subcontractor [42 CFR 438.230(a)]. Delegation of performance to a subcontractor does not terminate, relieve or reduce the legal responsibility of the Contractor for compliance with all Contract requirements and Federal and State laws [42 CFR 438.230(a)]. All such subcontracts must be in writing [42 CFR 457.1201(i), 42 CFR 457.1233(b), 42 CFR 438.230(c)(1)(i)-(ii), 42 CFR 438.6(l)].
2. Evaluate the prospective subcontractor's ability to perform duties to be delegated.
3. Specify in writing the activities and report responsibilities delegated to the subcontractor including terms for revoking delegation or imposing sanctions if the subcontractor's performance is inadequate [42 CFR 438.6(l), 42 CFR 438.230 (b)(2)(ii)].
4. Monitor the subcontractor's performance on an ongoing basis and subject it to formal review at least annually or more frequently if requested by AHCCCS. As a result of the performance review, any deficiencies must be communicated to the subcontractor in order to establish a corrective action plan [42 CFR 438.230(b)]. The results of the performance review and the correction plan shall be communicated to AHCCCS upon completion.
5. Develop and implement a quarterly performance auditing protocol to evaluate compliance with the standards for all subcontracted transportation providers and require corrective action if standards are not met.
6. Inform AHCCCS in writing if a subcontractor is noncompliant to the extent it would affect its ability to perform the duties and responsibilities of the subcontract.
7. Require all subcontracts to contain full disclosure of all terms and conditions including disclosure of all financial or other requested information.
8. Have the discretion to designate information related to subcontracts as confidential but may not withhold information from AHCCCS as proprietary. Information designated as confidential may be disclosed by AHCCCS as required by law.
9. Prohibit subcontractors, through the use of incentives or other practices, from denying, limiting or discontinuing medically necessary services to any member [42 CFR 438.210(e)].
10. Prohibit covenant-not-to-compete requirements in its subcontracts.
11. Allow subcontractors to provide services to any AHCCCS Contractor.
12. Include Federal and State laws, regulations, and policies in written agreements with subcontractors.

13. Not subcontract with any individual or entity that has been debarred, suspended or otherwise lawfully prohibited from participating in any public procurement activity and shall include this requirement in written agreements with subcontractors.
14. Not discriminate against particular providers that serve high-need populations or specialize in conditions that require costly treatment.
15. Maintain a fully executed original or electronic copy of all subcontracts, which shall be accessible to AHCCCS within five business days of request by AHCCCS. All requested subcontracts must have full disclosure of all terms and conditions and must fully disclose all financial or other requested information. Information may be designated as confidential but may not be withheld from AHCCCS as proprietary. Information designated as confidential may not be disclosed by AHCCCS without the prior written consent of the Contractor except as required by law. All subcontracts shall comply with the applicable provisions of Federal and State laws, regulations and policies.
16. AHCCCS may, at its discretion, communicate directly with the governing body or Parent Corporation of the Contractor regarding the performance of a subcontractor or Contractor respectively.
17. The Contractor shall develop and maintain a system for regular and periodic assessment of all subcontractors' compliance with its terms. No subcontract shall operate to terminate the legal responsibility of the Contractor to assure that all activities carried out by the subcontractor conform to the provisions of this Contract [42 CFR 434.6(c)].
18. The Contractor may not employ or contract with providers who are excluded from participation in Federal health care programs, under either Section 1128 or Section 1128A of the Social Security Act [42 CFR 457.1233(a), 42 CFR 438.214(d)(1)].
19. Provide hospitals and provider groups 90 days' notice prior to a subcontract termination without cause. Subcontracts between the Contractor and sole practitioners are exempt from this requirement.
20. Develop and implement financial incentives or other methods in its subcontracts to improve whole health outcomes and to improve performance on the required SAMHSA National Outcome Measures (NOMS).
21. Ensure the terms of subcontracts are subject to the applicable material terms and conditions of the contract existing between the Contractor and AHCCCS for the provision of covered services.
22. Be responsible for ensuring that its subcontractors are notified when modifications are made to the AHCCCS guidelines, policies, and manuals.
23. Include in written agreements with subcontractors that subcontracted providers shall report all alleged Fraud, Waste, and Abuse (FWA) to AHCCCS/OIG regardless of funding source.

The Contractor shall require subcontracted providers to adhere to the requirements of the Arizona Opioid Epidemic Act SB1001, Laws 2018. First Special Session.

Maricopa and Pima counties Only: The Inpatient Hospital Reimbursement Program is defined in the A.R.S. §36-2905.01, and requires hospital subcontracts to be negotiated between Contractors in Maricopa and Pima counties to establish reimbursement levels, terms and conditions. Subcontracts shall be negotiated by the Contractor and hospitals to cover operational concerns, such as timeliness of claims submission and payment, payment of discounts or penalties and legal resolution, which may, as an option, include establishing arbitration procedures. These negotiated subcontracts shall remain under close scrutiny by

AHCCCS to insure availability of quality services within specific service districts, equity of related party interests and reasonableness of rates.

Management Services Agreement and Cost Allocation Plan: If a Contractor has subcontracted for management services, the management service agreement must be approved in advance by AHCCCS in accordance with ACOM Policy 438. If there is a cost allocation plan as part of the management services agreement, it is subject to review by AHCCCS as specified in Section F, Attachment F3, Contractor Chart of Deliverables. AHCCCS reserves the right to perform a thorough review of actual management fees charged and/or corporate cost allocations made.

If there is an ownership change in the management services subcontractor, the assignment of the management services agreement must be approved by AHCCCS prior to the assignment to the new subcontractor. Refer to ACOM Policy 317. AHCCCS may impose enrollment caps in any or all GSA's as a result of a change in ownership. AHCCCS may also offer open enrollment to the members assigned to the Contractor should a change in ownership occur. AHCCCS will not permit two Contractors within the same line of business to utilize the same management service company in the same GSA.

The performance of management service subcontractors must be evaluated and included in the Administrative Services Subcontractor Evaluation Report as specified in Section F, Attachment F3, Contractor Chart of Deliverables and as specified in ACOM Policy 438.

Minimum Subcontract Provisions: All subcontracts must reference and require compliance with the Minimum Subcontract Provisions (MSPs). Refer to the AHCCCS Minimum Subcontract Provisions on the AHCCCS website.

The Contractor shall collaboratively and proactively work with providers to ensure and monitor compliance with requirements of the Report of the Abuse & Neglect Prevention Task Force to Governor Douglas A. Ducey (November 1, 2019) developed in response to Executive Order 2019-03 as specified in the AHCCCS Minimum Subcontract Provisions and Contract.

In addition, each subcontract must contain the following:

1. Subcontractor activities and obligations, and related reporting responsibilities [42 CFR 457.1233(b), 42 CFR 438.230(c)(1)(i)-(iii), 42 CFR 438.3(k)],
2. A provision requiring subcontractor agreement to perform the delegated activities and reporting responsibilities specified in compliance with Contract obligations [42 CFR 457.1233(b), 42 CFR 438.230(c)(2), 42 CFR 438.230(c)(1)(ii), 42 CFR 438.3(k)],
3. A provision that requires the subcontractor to comply with all applicable Medicaid laws, regulations, including applicable subregulatory guidance and Contract provisions [42 CFR 457.1201(i), 42 CFR 457.1233(b), 42 CFR 438.230(c)(2), 42 CFR 438.3(k)],
4. Full disclosure of the method and amount of compensation or other consideration to be received by the subcontractor,
5. Identification of the name and address of the subcontractor,
6. Identification of the population, to include patient capacity, to be covered by the subcontractor,
7. The amount, duration and scope of services to be provided, and for which compensation will be paid,

8. The term of the subcontract including beginning and ending dates, methods of extension, termination and re-negotiation,
9. The specific duties of the subcontractor relating to coordination of benefits and determination of third-party liability,
10. The specific duties of the subcontractor relating to coordination of care for all members,
11. A provision that the subcontractor agrees to identify Medicare and other third-party liability coverage and to seek such Medicare or third party liability payment before submitting claims to the Contractor,
12. A description of the subcontractor's patient, medical, dental and cost record keeping system,
13. Specification that the subcontractor shall cooperate with quality management programs, and comply with the utilization control and review procedures specified in 42 CFR Part 456, as specified in the AMPM,
14. A provision stating that a Change in Contractor Organizational Structure of an Administrative Services Subcontractor shall require a Contract amendment and prior approval of AHCCCS,
15. A provision that indicates that AHCCCS is responsible for enrollment, re-enrollment and disenrollment of the covered population,
16. A provision that the subcontractor shall be fully responsible for all tax obligations, Worker's Compensation Insurance, and all other applicable insurance coverage obligations which arise under this subcontract, for itself and its employees, and that AHCCCS shall have no responsibility or liability for any such taxes or insurance coverage,
17. A provision that the subcontractor must obtain any necessary authorization from the Contractor or AHCCCS for services provided to eligible and/or enrolled members,
18. A provision that the subcontractor must comply with encounter reporting and claims submission requirements as specified in the subcontract,
19. Provision(s) that allow the Contractor to suspend, deny, refuse to renew or terminate any subcontractor in accordance with the terms of this Contract and applicable law and regulation,
20. A provision for revocation of the delegation of activities or obligations, or specifies other remedies in instances where AHCCCS or the Contractor determines that the subcontractor has not performed satisfactorily [42 CFR 457.1201(i), 42 CFR 457.1233(b), 42 CFR 438.230(c)(1)(iii), 42 CFR 438.3(k)],
21. A provision that the subcontractor may provide the member with factual information, but is prohibited from recommending or steering a member in the member's selection of a Contractor,
22. A provision that compensation to individuals or entities that conduct utilization management and concurrent review activities is not structured so as to provide incentives for the individual or entity to deny, limit or discontinue medically necessary services to any member [42 CFR 457.1230(d), 42 CFR 438.210(e)],
23. A provision that the State, CMS, the HHS Inspector General, the Comptroller General, or their designees have the right to audit, evaluate, and inspect any books, records, contracts, computer or other electronic systems of the subcontractor, or of the subcontractor's contractor, that pertain to any aspect of services and activities performed, or determination of amounts payable under the MCO's, PIHP's, or PAHP's contract with the State [42 CFR 457.1201(i), 42 CFR 457.1233(b), 42 CFR 438.230(c)(3)(i)-(iv)],
24. A requirement that the subcontractor shall not arbitrarily deny or reduce the amount, duration, or scope of a required service solely because of the diagnosis, type of illness, or condition of the member [42 CFR 438.210(a)(3)(ii)],

25. A provision that requires the subcontractor to assist members in understanding their right to file grievances and appeals in conformance with all AHCCCS Grievance and Appeal System and member rights policies,
26. A provision that the subcontractor will make available, for purposes of an audit, evaluation, or inspection under paragraph (c)(3)(i) of 42 CFR 438.230, its premises, physical facilities, equipment, books, records, Contracts, computer or other electronic systems relating to its Medicaid members [42 CFR 457.1201(i), 42 CFR 457.1233(b), 42 CFR 438.230(c)(3)(iv)],
27. For subcontractors licensed as an inpatient facility, Behavioral Health Residential or Therapeutic Foster Care (TFC) facility, a requirement to comply with Contractor's quality management and medical management programs, and
28. A provision that the right to audit under paragraph (c)(3)(i) of 42 CFR 438.230 will exist through 10 years from the final date of the Contract period or from the date of completion of any audit, whichever is later [42 CFR 457.1201(i), 42 CFR 457.1233(b) 42 CFR 438.230].

In the event of a modification to the AHCCCS Minimum Subcontract Provisions the Contractor shall issue a notification of the change to its subcontractors within 30 days of the published change and ensure amendment of affected subcontracts. Affected subcontracts shall be amended on their regular renewal schedule or within six calendar months of the update, whichever comes first. Refer to ACOM Policy 416.

Psychiatric Rehabilitative Services-Employment: The Contractor shall develop and manage a continuum of vocational services to assist all members to achieve their rehabilitative and employment goals. The Contractor shall apply the principles and practices specified in ACOM Policy 447 for its employment initiatives, programs, measurement of outcomes, and communications. Additionally, the Contractor shall submit the Psychiatric Rehabilitation Progress Report as specified in Section F, Attachment F3, Contractor Chart of Deliverables.

Dugless Data Reporting Requirements: For those demographic elements with no identified alternative data source or Social Determinate identifier, AHCCCS created an online portal (DUGless) to be accessed directly by providers for the collection of the remaining data elements for members.

The Contractor shall require that provider organizations that historically provided data for the DUG as well as all providers who might typically document or provide these types of data to provide the required data via the DUGless portal.

The requirements, definitions, and values for submission of the identified data elements are specified in the AHCCCS DUGless Portal Guide (DPG). Required information is collected by health care provider subcontractors within the Arizona Health Care Cost Containment System (AHCCCS) system and submitted via the DUGless Portal on the Provider AHCCCS Online. Data and information are recorded and reported to MCOs to assist in monitoring and tracking of the following:

1. Access and utilization of services,
2. Community and stakeholder information,
3. Compliance of Federal, State, and grant requirements,
4. Health disparities and inequities,
5. Member summaries and outcomes,

6. Quality and Medical Management activities, and
7. Social Determinants of Health.

Opioid Treatment Program Requirements: Pursuant to A.R.S. §36-2907.14, in addition to all State or Federal licensing and registration requirements, any Opioid Treatment Program (OTP) (including New and Existing OTP sites) receiving reimbursement from AHCCCS or its Contractors must develop and submit Plans as specified in statute, and any relevant documentation, for review and approval by AHCCCS. Existing OTP sites are also required to submit an annual Report no later than November 15 of each year. The submitted Plans will be posted to the AHCCCS website for public comment for 30 days. AHCCCS will make a determination on the sufficiency of the submitted documentation within 30 days of the close of the public comment period. If AHCCCS determines that there is a deficiency in any of the submitted documentation, the OTP will be provided 30 days, from day of notification, to correct the deficiency or AHCCCS will suspend reimbursement for OTP providers until deficiency is remediated. The Contractor is required to suspend payment to OTPs who do not receive AHCCCS approval.

Provider Agreements: The Contractor shall not include covenant-not-to-compete requirements in its provider agreements. Furthermore, the Contractor shall not prohibit a provider from providing services for any other AHCCCS Contractor. In addition, the Contractor shall not enter into subcontracts that contain compensation terms that discourage providers from serving any specific eligibility category. In addition, the Contractor shall require subcontracted providers to adhere to the requirements specified in AMPM Chapter 600.

The Contractor must make reasonable efforts to enter into a written agreement with any provider providing services at the request of the Contractor more than 25 times during the previous Contract Year and/or are anticipated to continue providing services for the Contractor. The Contractor must follow ACOM Policy 415 and consider the repeated use of providers operating without a written agreement when assessing the adequacy of its network.

In all contracts with network providers, the Contractor must comply with any additional provider selection requirements established by the State [42 CFR 457.1208, 42 CFR 457.1233(a), 42 CFR 438.12(a)(2), 42 CFR 438.214(e)]. For all subcontracts in which the Contractor and subcontractor have a capitated arrangement/risk sharing arrangement, the following provision must be included verbatim in every contract:

If <the Subcontractor> does not bill <the Contractor>, < the subcontractor's> encounter data that is required to be submitted to <the Contractor> pursuant to contract is defined for these purposes as a "claim for payment". <The Subcontractor's> provision of any service results in a "claim for payment" regardless of whether there is any intention of payment. All said claims shall be subject to review under any and all fraud and abuse statutes, rules and regulations, including but not limited to Arizona Revised Statute (A.R.S.) §§36-2918 and 36-2957.

If the Contractor has a contract for services with a residential facility that serves juveniles, the subcontract must include a requirement to comply with all relevant provisions in A.R.S §36-1201. If the Contractor has a contract for specialty services with a nursing facility or assisted living facility, these contracts must include Work Statements that outline the special services being purchased, including admission criteria, discharge criteria, staffing ratios (if different from non-

specialty units), staff training requirements, program description and other non-clinical services such as increased activities.

Nursing Facility subcontracts shall include a provision to ensure temporary nursing care registry personnel, including Nurse Aides, are properly certified and licensed before caring for members, in accordance with 42 CFR 483.75(e)(3) and (g)(2). The provision must also require the subcontractor to ensure these registry personnel are fingerprinted as required by A.R.S. §36-411.

Administrative Services Subcontracts: All Administrative Services Subcontracts entered into by the Contractor require prior review and written approval by AHCCCS and shall incorporate by reference the applicable terms and conditions of this Contract. Proposed Administrative Services Subcontracts shall be submitted as specified in ACOM Policy 438 and Section F, Attachment F3, Contractor Chart of Deliverables. AHCCCS will not permit one organization to own or manage more than one contract within the same program in the same GSA. The Contractor's Administrator/CEO must retain the authority to direct and prioritize any delegated contract requirements.

Delegated agreements for operational functions which are determined by AHCCCS to inhibit integrated service delivery for the Medicaid or Medicare D-SNP lines of business are prohibited.

The Contractor shall not delegate the quality of care investigations processes or onsite quality of care visits to Administrative Services Subcontractors or providers.

Before entering into an Administrative Services Subcontract which delegates duties or responsibilities to a subcontractor, the Contractor must evaluate the prospective subcontractor's ability to perform the activities to be delegated. If the Contractor delegates duties or responsibilities then the Contractor shall establish a written agreement that specifies the activities and reporting responsibilities delegated to the Administrative Services Subcontractor. The written agreement shall also provide for revoking delegation or imposing other sanctions if the Administrative Services Subcontractor's performance is inadequate.

In order to determine adequate performance, the Contractor shall monitor the Administrative Services Subcontractor's performance on an ongoing basis and subject it to formal review at least annually or more frequently if requested by AHCCCS. As a result of the performance review, any deficiencies must be communicated to the Administrative Services Subcontractor in order to establish a corrective action plan [42 CFR 438.230(b)]. The results of the performance review and the corrective action plan shall be communicated to AHCCCS upon completion as specified in ACOM Policy 438 and Section F, Attachment F3, Contractor Chart of Deliverables.

Additionally, if at any time during the period of the Administrative Services Subcontract the subcontractor is found to be in non-compliance, the Contractor shall notify AHCCCS and comply with ACOM Policy 438 and Section F, Attachment F3, Contractor Chart of Deliverables. The Contractor shall submit an annual Administrative Services Subcontractor Evaluation Report as specified in ACOM Policy 438 and Section F, Attachment F3, Contractor Chart of Deliverables.

The Contractor shall require Administrative Services Subcontractors to adhere to screening and disclosure requirements as specified in Section D, Paragraph 58, Corporate Compliance.

A change to a subcontract due to a Change in Organizational Structure of an Administrative Services Subcontractor requires prior approval of AHCCCS, as specified in ACOM Policy 438.

The Contractor shall submit an Administrative Services Subcontractor Evaluation Report in accordance with ACOM Policy 438, and as specified in Section F, Attachment F3, Contractor Chart of Deliverables. If at any time during the period of the subcontract, the subcontractor is found to be in non-compliance, the Contractor shall notify AHCCCS as specified in ACOM Policy 438, and as specified in Section F, Attachment F3, Contractor Chart of Deliverables. The Contractor shall submit this in writing and provide the Corrective Action Plan and any measures taken by the Contractor to bring the subcontractor into compliance.

Pharmacy Benefit Manager Subcontracts Pass-Through Pharmacy Benefit Manager Pricing Model and Discrete Administrative Fee: The Contractor shall amend the subcontract between the Contractor and its Pharmacy Benefit Manager (PBM) to reflect a pass-through pricing model, defined as a PBM subcontract in which:

1. The Contractor reimburses the PBM the exact amount of the actual payments made to pharmacies inclusive of the ingredient costs and the dispensing fees for prescription claims,
2. All revenues received by the PBM related to services provided for the Contractor are passed through to the Contractor, including but not limited to: pricing discounts paid to the PBM, inflationary payments, clawbacks, fees, credits, grants, chargebacks, reimbursements, all rebates, and any other payments received by the PBM,
3. The Contractor pays the PBM an all-inclusive administrative fee, on a fixed and/or per script basis, for all administrative services provided under the PBM subcontract. The administrative fee shall not be funded directly or indirectly with revenues associated with credits, rebates, or other payments made to the PBM,
4. For all Contractors, including those contracting with a PBM that subcontracts with another PBM, the submitted encounter by the Contractor must be the actual payment to the pharmacy. The contracts, between the Contractor and the PBM or the PBM and its subcontracted PBM or any other identified subcontracts associated with the delivery or administration of the pharmacy benefit, must be submitted to AHCCCS upon request, and
5. For Contractors whose PBMs subcontract with a Pharmacy Services Administrative Organization (PSAO), the submitted pharmacy encounter to AHCCCS must include the actual payment to the pharmacy that provided the service, including the paid ingredient cost and dispensing fee.

The PBM may charge a discrete administrative fee to the Contractor which shall not be greater than the average of two dollars per paid prescription, including any fixed administrative charges. This expense shall be reported by the Contractor as an administrative expense to AHCCCS and shall not be included in the encounter amount. The discrete administrative fee shall be reported to AHCCCS in the quarterly financial reporting packages as directed in the AHCCCS Financial Reporting Guide. Refer to Section F, Attachment F3, Contractor Chart of Deliverables. Contractor pharmacy encounters must be submitted in accordance with the requirements in Section D, Paragraph 61, Encounter Data Reporting. The Contractor shall submit the PBM subcontract to AHCCCS in order to demonstrate that it is in compliance with the above provisions as stated in Section F, Attachment F3, Contractor Chart of Deliverables.

Pharmacy Benefit Manager Reimbursement Provisions: The Contractor shall include specific content below in Pharmacy Benefit Manager (PBM) subcontracts for reimbursement:

Brand Name Drugs: The Contractor's contract with the PBM shall provide a Guaranteed Brand Name Drug Discount Rate and require the reimbursement of 90% Brand Name Prescription claims, at a minimum, to be the following:

1. *84-Day Supply or Less:* The lesser of Average Wholesale Price (AWP) less 18%, the Submitted Ingredient Cost, or the Usual & Customary price plus a Dispensing Fee, and
2. *Greater than an 84-Day Supply:* The lesser of AWP less 19.50%, the Submitted Ingredient Cost, or the Usual & Customary price plus a Dispensing Fee.

The Guaranteed Discount Rate shall be calculated for branded legend and Over-the-Counter branded drugs on a cumulative six-month basis, beginning with the period October 1 - March 31 and followed by the period April 1 - September 30.

The PBM shall evaluate and calculate each six-month time period and determine if the performance guarantee was met. The guarantee must be calculated within 30-days after the end of each cumulative six-month time period.

If the guarantee was not met, the PBM shall issue payment to the Contractor to meet the performance guarantee after each six-month time period within 60-days after the close of the six-month time period.

Generic Drugs: The Contractor's contract with the PBM shall require the reimbursement of generic drugs to be guaranteed, in aggregate, at AWP less 84% for all Days Supplies dispensed. The calculation of the aggregate guarantee shall include all generic drugs, including single source, multisource and Over-the-Counter generic drugs and generic drug claims reimbursed at Usual & Customary pricing. All generic drug prescription claims shall be reimbursed to network pharmacies at the lesser of the Maximum Allowable Cost (MAC), AWP less 18%, the Submitted Ingredient Cost, or Usual & Customary pricing plus a Dispensing Fee.

The Generic Drug Guarantee shall be calculated for generic drugs on a cumulative six-month basis, beginning with the period October 1 - March 31 and followed by the period April 1 - September 30.

The PBM shall evaluate and calculate each six-month time period and determine if the performance guarantee was met. The guarantee must be calculated within 30-days after the end of each cumulative six-month time period.

If the guarantee was not met, the PBM shall issue payment to the Contractor to meet the performance guarantee after each six-month time period within 60-days after the close of the six-month time period.

Specialty and Biosimilar Drugs: The Contractor's contract with the PBM shall provide a Guaranteed Discount Rate of AWP less 18.25% for all Specialty and Biosimilar Drugs. and 90% of Specialty and Biosimilar Prescription claims shall be reimbursed to pharmacies,, at a minimum, the lesser of AWP less 18.25%, MAC, the Submitted Ingredient Cost, or the Usual & Customary

price plus a Dispensing Fee. Limited and exclusive distribution, biosimilars, and specialty drugs are included in the guarantee.

The Guaranteed Discount Rate shall be calculated for limited distribution, biosimilars and specialty drugs on a cumulative six-month basis, beginning with the period October 1 - March 31 and followed by the period April 1 - September 30.

The PBM shall evaluate and calculate each six-month time period and determine if the performance guarantee was met. The guarantee must be calculated within 30-days after the end of each cumulative six-month time period.

If the guarantee was not met, the PBM shall issue payment to the Contractor to meet the performance guarantee after each six-month time period within 60-days after the close of the six-month time period.

Specialty Medications that can be purchased and dispensed by a retail pharmacy shall not be reimbursed to the Specialty Pharmacy for a greater amount than the PBM/Contractor Retail Pharmacy Drug Reimbursement rates.

Mail Order Prescriptions Services: The Contractor's contract with the PBM shall provide a Guaranteed Discount Rate for all Mail Order Pharmacy Prescriptions Claims of AWP less 24% and 90% of the Mail Order Prescription Claims shall be reimbursed, at a minimum, the lesser of AWP less 24%, the Submitted Ingredient Cost, MAC, or the Usual & Customary price. This is applicable to Contractors providing mail order services when the pharmacy is owned or under the same umbrella of companies as the PBM. This does not apply to the retail pharmacy networks.

The Guaranteed Discount Rate shall be calculated for mail order prescription drugs on a cumulative six-month basis, beginning with the period October 1 - March 31 and followed by the period April 1 - September 30.

The PBM shall evaluate and calculate each six-month time period and determine if the performance guarantee was met. The guarantee must be calculated within 30-days after the end of each cumulative six-month time period.

If the guarantee was not met, the PBM shall issue payment to the Contractor to meet the performance guarantee after each six-month time period within 60-days after the close of the six-month time period.

Pharmacy Benefit Manager - Rebate Payment: The Contractor shall include the content below in PBM subcontracts for reimbursement when the PBM is paying a flat fee rebate, a percentage rebate, or a market share rebate to the Contractor for prescription utilization:

1. Rebate guarantees based on a minimum flat rate fee, a percentage or market share rebate shall be compared, in total, to the collected rebates by the PBM from the manufacturer or an entity on behalf of the manufacturer. The PBM shall provide the Contractor with the minimum flat rate rebate, the percentage rebate, the market share rebate, or 100% of the collected rebates, whichever is greater for all prescription utilization,

2. The PBM subcontractor shall include language that requires the PBM to report rebates to the Contractor in the AHCCCS requested format,
3. The PBM subcontract shall include language that does not allow administrative costs to be collected and kept by the PBM for utilization that is related to the Contractor. All monies, including but not limited to, rebates and administrative fees collected by the PBM from a manufacturer, or other company representing the manufacturer, that relate to the prescription utilization under the MCO/PBM contract, shall be passed through to the Contractor, and
4. The Contractor shall not apply monies received for rebates or the administration of rebates against the administrative costs of the PBM contract.

Other- Miscellaneous: The PBM subcontract shall include:

1. A clause that allows for an annual review of the contract for rate setting, adjustments to market conditions, and to ensure network adequacy,
2. Language requiring the Contractor's PBM to monitor and update the Maximum Allowable Cost (MAC) for generic drugs and other pricing benchmarks on a schedule at least as consistent with market changes, including additions and changes as the cost of generic drugs increase or decrease. Upon request from the Contractor or a network pharmacy, the PBM shall provide at least one source where a non- 340B network pharmacy is able to purchase the drug at the PBM's MAC rate for that drug, or lower. The PBM shall provide a reasonable and direct process for network pharmacies to communicate with the PBM and report the pharmacy's inability to purchase at the PBM's MAC price and receive instructions from the PBM as to where to purchase the drug at the MAC price. The language shall include a specific response time for pricing resolution when inquiries are brought to the attention of the PBM by the Contractor or Network Pharmacy ,
3. Language with performance guarantees that address adherence to the AHCCCS Drug List Preferred Agents for the AHCCCS Supplemental Rebate Classes Preferred Agents,
4. Language that allows the Contractor to terminate the PBM subcontract without cause and without penalty, and
5. Language that upon termination of the PBM's Contract the following, at a minimum, will be transferred to the PBM at no charge:
 - a. Claims History File,
 - b. Prior Authorization File,
 - c. Mail Order Open Refills File,
 - d. Specialty Drug Open Refills File,
 - e. Accumulators File (if the Contractor has a corresponding Medicare Advantage Plan for Dual Eligibles),
 - f. Adjustments, and
 - g. Other requests by the State Medicaid Agency, AHCCCS.

37. CLAIMS PAYMENT/HEALTH INFORMATION SYSTEM

The Contractor shall develop and maintain claims processes and systems that ensure the accurate collection and processing of claims, analysis, integration, and reporting of data. These processes and systems shall result in information on areas including, but not limited to, service utilization, claim disputes and member grievances and appeals, and disenrollment for reasons other than loss of Medicaid eligibility [Section 6504(a) of the Affordable Care Act, Section

1903(r)(1)(F) of the Social Security Act, 42 CFR 457.1233(d), 42 CFR 438.242(a)-(b)]. These processes and systems shall result in information on areas including, but not limited to, service utilization, claim disputes and member grievances and appeals, and disenrollment for reasons other than loss of Medicaid eligibility [42 CFR 457.1233(d), 42 CFR 438.242(a)].

General Claims Processing Requirements: Claims submission deadlines shall be calculated from the claim end date of service, inpatient claim date of discharge or the effective date of eligibility posting, whichever is later as stated in A.R.S. §36-2904. Additionally, unless a subcontract specifies otherwise, the Contractor shall ensure that for each form type (Dental/Professional/Institutional), 95% of all clean claims are adjudicated within 30 days of receipt of the clean claim and 99% are adjudicated within 60 days of receipt of the clean claim.

Claim payment requirements pertain to both contracted and non-contracted providers. The receipt date of the claim is the date stamp on the claim or the date electronically received. The receipt date is the day the claim is received at the Contractor's specified claim mailing address, received through direct electronic submission to the Contractor, or received by the Contractor's designated Clearinghouse. The paid date of the claim is the date on the check or other form of payment [42 CFR 447.45(d)(5)-(6), 42 CFR 447.46, sections 1932(f) and 1902(a)(37)(A) of the Social Security Act].

The Contractor must include nationally recognized methodologies to correctly pay claims including but not limited to:

1. Medicaid National Correct Coding Initiative (NCCI) for Professional, ASC and Outpatient services,
2. Multiple Procedure/Surgical Reductions, and
3. Global Day E & M Bundling standards.

The Contractor's claims payment system must be able to assess and/or apply data related edits including but not limited to:

1. Benefit Package Variations,
2. Timeliness Standards,
3. Data Accuracy,
4. Adherence to AHCCCS Policy,
5. Provider Qualifications,
6. Member Eligibility and Enrollment, and
7. Over-Utilization Standards.

The Contractor must produce a remittance advice related to the Contractor's payments and/or denials to providers and each must include at a minimum:

The reason(s) for denials and adjustments,

1. A detailed explanation/description of all denials, payments and adjustments,
2. The amount billed,
3. The amount paid,
4. Application of COB and copays, and

5. Provider rights for claim disputes.

Additionally, the Contractor must include information in its remittance advice which informs providers of instructions and timeframes for the submission of claim disputes and corrected claims. All hard copy remittance advices must describe this information in detail. Electronic remittance advices must either direct providers to the link where this information is explained or include a supplemental file where this information is explained. The related remittance advice must be sent with the payment, unless the payment is made by electronic funds transfer (EFT). Any remittance advice related to an EFT must be sent to the provider, no later than the date of the EFT. See Section D, Paragraph 60, Systems and Data Exchange Requirements, for specific standards related to remittance advice and EFT payment.

In accordance with the Deficit Reduction Act of 2005, Section 6085, SMDL 06-010, and Section 1932 (b)(2)(D) of the Social Security Act, the Contractor is required to reimburse non-contracted emergency services providers at the AHCCCS Fee-For-Service rate. This applies to in State as well as out of State providers.

In accordance with A.R.S. §36-2904 the Contractor is required to reimburse providers of hospital and non hospital services at the AHCCCS fee schedule in the absence of a Contract or negotiated rate. This requirement applies to services which are directed out of network by the Contractor or to emergency services. For inpatient stays at urban hospitals pursuant to A.R.S. §36-2905.01 for non-emergency services, the Contractor is required to reimburse non-contracted providers at 95% of the AHCCCS fee schedule specified in A.R.S. §36-2903.01. All payments are subject to other limitations that apply, such as provider enrollment, prior authorization, medical necessity, and covered service.

The Contractor is required to reimburse AHCCCS registered providers that are county departments of health for adult immunization services at the AHCCCS fee schedule in the absence of a Contract or negotiated rate.

The Contractor is required to reimburse providers for previously denied or recouped claims if the provider was subsequently denied payment by the primary insurer based on timely filing limits or lack of prior authorization and the member failed to initially disclose additional insurance coverage other than AHCCCS. The provider shall have 90 days from the date they become aware that payment will not be made to submit a new claim to the Contractor which includes the documentation from the primary insurer that payment will not be made. Documentation includes but is not limited to any of the following items establishing that the primary insurer has or would deny payment based on timely filing limits or lack of prior authorization: an EOB, policy or procedure, Provider Manual excerpt.

AHCCCS requires the Contractor to attend and participate in AHCCCS workgroups including Technical Consortium meetings to review upcoming initiatives and other technical issues. Refer to ACOM Policy 203 for additional requirements regarding the adjudication and payment of claims.

The Contractor shall submit to AHCCCS a Claims Dashboard in conformance with the AHCCCS Claims Dashboard Reporting Guide and as specified in Section F, Attachment F3, Contractor Chart of Deliverables.

Benefit Coordination and Fiscal Responsibility for Behavioral Health Services and Physical Health Services: The Contractor shall comply with ACOM Policy 432, Benefit Coordination and Fiscal Responsibility for AHCCCS covered physical and behavioral health services provided to AHCCCS members who are not enrolled in an integrated line of business.

The Contractor's responsibility for payment of behavioral health services includes per diem claims for inpatient hospital services, when the principal diagnosis on the hospital claim is a behavioral health diagnosis. The hospital claim, which may include both behavioral health and physical health services, will be paid by the Contractor at a per diem inpatient behavioral health rate described in A.A.C. R9-22-712.61.

38. SPECIALTY CONTRACTS

AHCCCS may at any time negotiate or contract on behalf of the Contractor and AHCCCS for specialized hospital and medical services. AHCCCS will consider existing Contractor resources in the development and execution of specialty contracts. AHCCCS may require the Contractor to modify its delivery network to accommodate the provisions of specialty contracts. AHCCCS may consider waiving this requirement to utilize the specialty contract if such action is determined to be in the best interest of the State; however, in no case shall reimbursement exceeding that payable under the relevant AHCCCS specialty contract be considered in capitation rate development or risk sharing arrangements, including reinsurance.

AHCCCS has specialty contracts, including but not limited to, transplant services, anti-hemophilic agents, and pharmaceutical related services. AHCCCS shall provide at least 60 days advance written notice to the Contractor prior to the implementation of any specialty contract. AHCCCS may provide technical assistance prior to the implementation of any specialty contracts.

Refer to Section D, Paragraph 53, Reinsurance for more information.

39. HOSPITAL SUBCONTRACTING AND REIMBURSEMENT

In the absence of a contract between the Contractor and a hospital providing otherwise, the Contractor shall reimburse hospitals for inpatient and outpatient hospital services as required by A.R.S. §36-2904, §36-2905.01, §36-2905.03, and 9 A.A.C. 22, Article 7, which set forth requirements for: reimbursement of the majority of inpatient hospital services using the APR-DRG payment methodology in A.A.C. R9-22-712.60 through A.A.C. R9-22-712.81; reimbursement of limited inpatient hospital services using per diem rates specified in A.A.C. R9-22-712.61; reimbursement of inpatient services provided by non-contracted hospitals in Pima and Maricopa counties at 95% of the amounts otherwise payable for inpatient services and reimbursement of inpatient behavioral health services provided by non-contracted behavioral health inpatient facilities (in any county) at 90% of the AHCCCS Fee-For-Service rates.

When the principal diagnosis on the inpatient claim is a behavioral health diagnosis (even when physical health services are included in the claim), the Contractor shall reimburse the hospital using per diem rates prescribed by AHCCCS and specified in A.A.C. R9-22-712.61(B) regardless of the hospital type.

When the principal diagnosis on the inpatient claim is a physical health diagnosis (even when behavioral health services are included in the claim), the Contractor shall reimburse the hospital using the APR-DRG payment methodology in A.A.C. R9-22-712.60 through A.A.C. R9-22-712.81 EXCEPT when the hospital is a rehabilitation hospital or a long term acute care hospital. For inpatient services with a principal diagnosis of physical health provided by a rehabilitation hospital or a long term acute care hospital, the Contractor shall reimburse the hospital using the per diem rates published in the Administration's capped fee schedule as specified in A.A.C. R9-22-712.61(A).

Claims for services associated with transplants are paid in accordance with A.A.C. R9-22-712.61(A) and (C), except for inpatient transplant evaluation services which are paid using the APR-DRG payment methodology. For information on Differential Adjusted Payments see Section D, Paragraph 50, Compensation.

The Contractor may conduct prepayment, concurrent and post-payment medical reviews of all hospital claims including outlier claims. Erroneously paid claims may be subject to recoupment. If the Contractor fails to identify lack of medical necessity through prepayment and/or concurrent medical review, lack of medical necessity shall not constitute a basis for recoupment of paid hospital claims, including outlier claims unless the Contractor identifies the lack of medical necessity through a post-payment medical review of information that the Contractor could not have discovered during a prepayment and/or concurrent medical review through the exercise of due diligence.

The Contractor shall comply with Section D, Paragraph 37, Claims Payment/Health Information System.

AHCCCS may require Contractor to execute a subcontract with a hospital if the number of emergency days at a non-subcontracted hospital becomes significant.

40. RESPONSIBILITY FOR NURSING FACILITY REIMBURSEMENT

The Contractor shall provide medically necessary nursing facility services for an enrolled member with a pending ALTCS application who is currently residing in a nursing facility and is eligible for services provided under this Contract. If the member becomes ALTCS eligible and is enrolled with an ALTCS Contractor before the end of the maximum 90 days per Contract Year of nursing facility coverage, the Contractor is only responsible for nursing facility reimbursement during the time the member is enrolled with the Contractor as shown in the PMMIS. Nursing facility services covered by another liable party (including Medicare) while the member is enrolled with the Contractor, shall be applied to the 90 day per Contract Year limitation.

Pre-Admission Screening and Resident Review Requirements: The Contractor shall ensure members are screened using the Pre-Admission Screening and Resident Review (PASRR) prior to admission to a nursing facility as specified in AMPM Policy 680-C. See Section D, Paragraph 9, Scope of Services.

The Contractor shall not deny nursing facility services when the member's eligibility, including prior period coverage, had not been posted at the time of admission. In such situations the Contractor shall impose reasonable authorization requirements. There is no ALTCS enrollment, including prior period coverage that occurs concurrently with AHCCCS acute enrollment.

The Contractor shall notify the Assistant Director of AHCCCS/DMPS when a member has been residing in a nursing facility, alternative residential facility or receiving home and community based services for 45 days, as specified in Section D, Paragraph 9, Scope of Services, under the heading *Nursing Facility Services*. This will allow AHCCCS time to follow-up on the status of the ALTCS application and to consider potential Fee-For-Service coverage if the stay goes beyond the 90 day per Contract Year maximum.

For information on Differential Adjusted Payments see Section D, Paragraph 50, Compensation.

41. PHYSICIAN INCENTIVES

This Contract provides for the following incentive arrangement between AHCCCS and the Contractor:

The Alternative Payment Model (APM) Initiative – Performance Based Payments (PBP) incorporates an incentive arrangement under which the Contractor may receive additional funds over and above the capitation rates for implementing APM arrangements with providers who successfully meet targets established by the Contractor that are aimed at quality improvement, such as reducing costs, improving health outcomes, or improving access to care. In accordance with ACOM Policy 307, for those APM arrangements which result in performance-based payments to providers, AHCCCS will make a lump-sum payment to the Contractor after the completion of the Contract Year.

The Contractor shall comply with financial reporting transparency requirements for subcontractors as specified in ACOM Policy 307. For PBPs, the Contractor shall report the amounts retained by non-provider subcontractors and the amount paid to their providers, as specified in Section F, Attachment F3, Contractor Chart of Deliverables. Refer to ACOM Policy 307.

The Contractor shall report standard quality measure and Medical Loss Ratio (MLR) outcomes by provider and in total by Contractor to compare quality of care and cost of care measures, as specified in Section F, Attachment F3, Contractor Chart of Deliverables. The Contractor shall submit data for prior contract periods as requested by AHCCCS. Refer to ACOM 307.

It is AHCCCS' intent beginning in CYE22, the Contractor shall align quality-based PBPs with the quality measures to be identified by AHCCCS to receive AHCCCS reimbursement.

It is AHCCCS' intent beginning CYE22, the Contractor shall allocate a specified percentage of planned PBP amounts to integrated practice providers and specialty behavioral health providers, as specified in ACOM Policy 307.

The Contractor shall not receive incentive payments in excess of 5% of the approved capitation payments attributable to the members or services covered by the incentive arrangements.

These incentive arrangements:

1. Are for a fixed period of time and performance is measured during the rating period under the contract in which the incentive arrangement is applied.

2. Are not to be renewed automatically.
3. Are made available to both public and private contractors under the same terms of performance.
4. Do not condition Contractor participation in the incentive arrangement on the Contractor entering into or adhering to intergovernmental transfer agreements, and
5. Are necessary for the specified activities, targets, performance measures, or quality-based outcomes that support program initiatives as specified in the State's quality strategy at [42 CFR 438.340, 42 CFR 438.6(b)(2)].

The Contractor must ensure compliance with all applicable physician incentive requirements, including but not limited to [Section 1903(m)(2)(A)(x) of the Social Security Act, 42 CFR 457.1201(h), 42 CFR 457.1207, 42 CFR 438.10(f)(3), 42 CFR 438.3(i), 42 CFR 422.208(c)(1)-(2) and 42 CFR 422.210]. These regulations, in part, prohibit Contractors from operating any physician incentive plan that directly or indirectly makes payments to a physician or physician group as an inducement to limit or reduce medically necessary services to a member.

The Contractor shall not enter into contractual arrangements that place providers at substantial financial risk as specified in 42 CFR 422.208 unless prior written approval of the contractual arrangement is received by AHCCCS. For those proposed contractual arrangements which meet the definition of substantial financial risk, the following must be submitted to the AHCCCS for review and approval as specified in Section F, Attachment F3, Contractor Chart of Deliverables [Section 1903(m)(2)(A)(x) of the Social Security Act, 42 CFR 457.1201(h), 42 CFR 422.208(c)(2), 42 CFR 438.3(i), 42 CFR 438.6(g)]:

1. The type of incentive arrangement,
2. A plan for a member satisfaction survey,
3. Details of the stop-loss protection provided,
4. A summary of the compensation arrangement that meets the substantial financial risk definition, and
5. Any other items requested by AHCCCS

Upon request from CMS or AHCCCS, the Contractor shall promptly disclose all requested information regarding its physician incentive plans. In addition, the Contractor shall provide the information specified in 42 CFR 422.210 to any member who requests it.

Any Contractor-selected and/or developed physician incentive that meets the requirements of 42 CFR 417.479 must be approved by AHCCCS prior to implementation as specified in Section F, Attachment F3, Contractor Chart of Deliverables.

42. MATERIAL CHANGE TO BUSINESS OPERATIONS

The Contractor is responsible for evaluating all operational changes, including unexpected or significant changes, and determining whether those changes are material changes to the Contractor's business operations [42 CFR 438.207(c)]. All material changes to business operations must be approved in advance by AHCCCS. The Contractor must submit a request for approval of a material change to business operations as specified in ACOM Policy 439 and as specified in Section F, Attachment F3, Contractor Chart of Deliverables.

A material change to business operations is defined as any change in overall business operations (e.g. policy, process, protocol such as prior authorization or retrospective review) that affects, or can reasonably be foreseen to affect, the Contractor's ability to meet the performance standards as specified in this Contract including, but not limited to, any change that would impact or is likely to impact more than 5% of total membership and/or provider network in a specific GSA.

The Contractor may be required to conduct meetings with providers and members to address issues or to provide general information and technical assistance related to Federal and State requirements, changes in policy, reimbursement matters, prior authorization, and other matters as identified or requested by AHCCCS.

43. PERFORMANCE BOND OR BOND SUBSTITUTE

In addition to the initial minimum capitalization or equity per member requirements, the Contractor shall be required to establish and maintain a performance bond, in accordance with ACOM Policy 305 for as long as the Contractor has liabilities of \$50,000 or more outstanding including contingent liabilities reported in the Contractor's financial statements, or 15 months following the termination of this Contract, whichever is later, and will be in the amount and for the term determined by AHCCCS, to guarantee payment of the Contractor's obligations under this Contract including but not limited to payments due to contracted providers, non-contracting providers, and any other entity that subcontracts for the performance of the Contractor's obligations under this Contract whether related to coverage for services to enrollees or for the administration of this Contract [A.R.S. §36-2903(M), 42 CFR 438.116].

In lieu of a performance bond, AHCCCS, in its sole discretion, may accept a bond substitute or combination of bond substitutes of the types specified in ACOM Policy 305. The Contractor agrees to perform any and all acts and execute any and all documents including, but not limited to, security agreements and necessary filings pursuant to the Arizona Uniform Commercial Code, necessary to grant AHCCCS an enforceable security interest in such bond substitute to secure performance of the Contractor's obligations under this Contract. The Contractor is solely responsible for establishing the credit-worthiness of all forms of bond substitutes. AHCCCS may, after written notice to the Contractor, withdraw its permission for a substitute security or bond securities, in which case the Contractor shall provide AHCCCS with performance bond or an alternate form of security acceptable to AHCCCS as specified in ACOM Policy 305.

For each year that the Contractor has actual or contingent liabilities of \$50,000 or more, the Contractor shall provide documentation of the performance bond or bond substitute in a form acceptable to AHCCCS as specified in ACOM Policy 305. The Contractor shall provide a written attestation, through the Performance Bond Annual Attestation Statement, consistent with 42 CFR 438.604 and 42 CFR 438.606, that the documentation of the performance bond is accurate, complete, and truthful as specified in ACOM Policy 305 and as specified in Section F, Attachment F3, Contractor Chart of Deliverables.

Following a Change in Organizational Structure of a Contractor or a Contractor's parent company, AHCCCS reserves the right to require additional performance bond assurances on behalf of the new entity, including, but not limited to, expanding the performance bond or bond substitute to include service dates prior to the Change in Organizational Structure.

In the event of a default by the Contractor, AHCCCS shall, in addition to any other remedies it may have under this Contract, obtain payment under the performance bond or bond substitute to remedy the breach, including but not limited to one or more of the following purposes:

1. Paying damages sustained by subcontracted providers, non-contracting providers, and other subcontractors as a result of a breach of Contractor's obligations under this Contract,
2. Reimbursing AHCCCS for any payments made on behalf of the Contractor,
3. Reimbursing AHCCCS for any administrative expenses incurred by a Contractor's breach including, expenses incurred after termination of this Contract, including but not limited to, expenses incurred after termination of this Contract for reasons other than for the convenience of the State by AHCCCS under Terms and Conditions, Paragraph 51, Termination for Convenience,
4. Reimbursing expenditures incurred by AHCCCS in the direct operation of the Contractor under Terms and Conditions, Paragraph 46, Temporary Management/Operation of a Contractor, and
5. Paying any sanctions imposed under Section D, Paragraph 68, Administrative Actions, to the extent the sanctions are not offset against payments due from AHCCCS to the Contractor as provided for under Section E, Paragraph 40, Right of Offset.

Compliance with the requirements of this Section do not relieve the Contractor from the obligation to pay AHCCCS for any damages resulting from breach of this Contract if the performance bond or bond substitute is insufficient to fully indemnify AHCCCS.

The Contractor shall not change the amount, duration, type, or scope of the performance bond or bond substitute without prior written approval from AHCCCS. Refer to ACOM Policy 305 for more details.

The Contractor shall not pledge any bond substitute as collateral or security for any other loan, or debt or obligation of the Contractor, or pledge the bond substitute as security to creditors. The Contractor shall be in material breach of this Contract if it fails to maintain or renew the performance bond or bond substitute as required by this Contract and as specified in Section F, Attachment F3, Contractor Chart of Deliverables.

44. AMOUNT OF PERFORMANCE BOND OR BOND SUBSTITUTE

The Contractor shall provide a performance bond or bond substitute in an amount equal to or greater than 100% of the total capitation payment (less premium tax) due to the Contractor in the first month of the Contract Year. The Contractor shall provide the performance bond or bond substitute no later than 30 days following notification by AHCCCS of the amount. It is the Contractor's responsibility to self-monitor the required performance bond or bond substitute amount and notify AHCCCS of the need to increase the amount when necessary, and whether a rider to the existing performance bond will be used to increase the amount. If a new performance bond will be used to increase the amount, AHCCCS must approve the new performance bond prior to execution.

When the amount of the performance bond or bond substitute falls below 90% of the monthly capitation amount (excluding premium tax), the amount of the performance bond or bond substitute must be increased to at least 100% of the monthly capitation amount (excluding

premium tax). If AHCCCS notifies the Contractor of a needed change in performance bond or bond substitute amount, the Contractor must do so no later than 30 days following notification by AHCCCS. The Contractor may not change the amount, duration, or type of the performance bond or bond substitute without prior written approval from AHCCCS. Refer to ACOM Policy 305 for more details.

45. ACCUMULATED FUND DEFICIT

The Contractor and its owners shall review for accumulated fund deficits on a quarterly and annual basis. In the event the Contractor has a fund deficit, the Contractor and its owners shall fund the deficit through capital contributions in a form acceptable to AHCCCS. The capital contributions must be for the period in which the deficit is reported and shall occur within 30 days of the financial statement due to AHCCCS. AHCCCS at its sole discretion may impose a different timeframe other than the 30 days required in this paragraph. AHCCCS may, at its option, impose sanctions as a result of an accumulated deficit, even if unaudited.

46. ADVANCES, EQUITY DISTRIBUTIONS, LOANS AND INVESTMENTS

The Contractor shall not, without the prior approval of AHCCCS, make advances to providers equal to or in excess of \$50,000 per Provider Tax Identification Number (TIN) within a contract year. The Contractor shall not, without prior approval of AHCCCS, make any advances, equity distributions, loans, loan guarantees, profit sharing agreements, or investments, including, but not limited to those to related parties or affiliates including another fund or line business within its organization. The Contractor shall not, without prior approval of AHCCCS, make advances to providers equal to or in excess of \$50,000 per Provider Tax Identification Number (TIN) within a contract year. The Contractor is required to report all repayment of advances, loans, loan guarantees, or investments as specified in Section F, Attachment F3, Contractor Chart of Deliverables and ACOM Policy 418. All requests for prior approval are to be submitted to AHCCCS as specified in Section F, Attachment F3, Contractor Chart of Deliverables. Refer to ACOM Policy 418 for further information.

47. FINANCIAL VIABILITY STANDARDS

The Contractor must comply with the AHCCCS-established financial viability standards or any revisions or modifications of the standards, in conformance with the AHCCCS Financial Reporting Guide. On a quarterly basis, AHCCCS will review the following ratios with the purpose of monitoring the financial health of the Contractor: current ratio; equity per member; medical loss ratio; and the administrative cost percentage [42 CFR 438.116 (a)-(b)]. These same standards will be reviewed for the financial statements applicable to the Contractor's Medicare line of business if the Contractor is certified by AHCCCS.

Sanctions may be imposed if the Contractor does not meet these financial viability standards. AHCCCS will take into account the Contractor's unique programs for managing care and improving the health status of members when analyzing medical loss and administrative ratio results. However, if a critical combination of the financial viability standards is not met, or if the Contractor's experience differs significantly from other Contractors, additional monitoring, such as monthly reporting, may be required.

The Contractor shall cooperate with AHCCCS reviews of the ratios and financial viability standards below. The ratios and financial viability standards are as follows:

Current Ratio: Current assets less due from affiliates divided by current liabilities must be greater than or equal to 1.00. Other Assets deemed restricted by AHCCCS are excluded from this ratio. All components of the calculation should include annual audit adjustments. The Contractor may request a waiver from AHCCCS to include the prorated portion of the due for affiliates balance resulting from cash/bank account sweep arrangements with other AHCCCS lines of business. Refer to the AHCCCS Financial Reporting Guide for more information.

Equity Per TXIX/XXI Members: Must be greater than or equal to \$1,300 per Title XIX/XXI member assigned to the RBHA eligible to receive behavioral health services only, and \$1,300 per Title XIX/XXI member enrolled with the RBHA for integrated SMI services on the last day of the quarter. Equity per member is calculated as unrestricted equity,, less on-balance sheet performance bond or bond substitute, due from affiliates, guarantees of debts/pledges/assignments and other assets determined to be restricted by AHCCCS, divided by the number of enrolled TXIX/XXI members at the end of the period. All components of the calculation should include annual audit adjustments. The Contractor may request a waiver from AHCCCS to include the portion of the due for affiliates balance resulting from a qualifying cash sweep arrangements or a qualifying centralized cash arrangement with or for other Arizona Medicaid lines of business (including Non-Title XIX/XXI Contract). Additional information regarding the Equity per Member requirement may be found in ACOM Policy 305.

Administrative Cost Percentage: Administrative Costs are those expenses associated with the overall management and operation of the Contractor, including, at a minimum: salaries, staff benefits, professional and outside services, travel, occupancy, depreciation, interpretive service, care management, and all other operating expenses. Total Title XIX/XXI Administrative Expenses divided by the sum of total capitation plus all reconciliation settlements less reinsurance less premium tax shall be less than or equal to 10%. All components of the calculation should include annual audit adjustments.

Medical Loss Ratio: Incurred claims plus expenditures for activities that improve health care quality, divided by premium revenue less Federal, State, and local taxes and licensing and regulatory fees. All components of the calculation should include annual audit adjustments. For additional information, refer to the AHCCCS Financial Reporting Guide. Standard: At least 85%.

Medical Loss Ratio Annual Requirement: The Contractor shall submit an annual Medical Loss Ratio (MLR) report in compliance with 42 CFR 457.1203 and 42 CFR 438.8, as specified in Section F, Attachment F3, Contractor Chart of Deliverables. Any retroactive changes to capitation rates after the Contract Year end will need to be incorporated into the MLR calculation. If the retroactive capitation rate adjustment occurs after the MLR report has been submitted to AHCCCS, a new report incorporating the change will be required to be submitted within 30 days of the capitation rate adjustment payment by AHCCCS. For additional information, refer to the AHCCCS Financial Reporting Guide.

The Contractor shall submit annual audit adjustments with the draft and final audit packages and comply with all financial reporting requirements contained in Section F, Attachment F3, Contractor Chart of Deliverables and the AHCCCS Financial Reporting Guide. Reporting is required for both

the AHCCCS RBHA and Medicare lines of business, regardless of the licensing or certifying entity for the Medicare Advantage Plan. If the Contractor is a Medicare Advantage Plan licensed through the Department of Insurance, quarterly reporting to AHCCCS is required for informational purposes only. The required reports are subject to change during the contract term and are summarized in Section F, Attachment F3, Contractor Chart of Deliverables. Refer to ACOM Policy 106 for more detail [42 CFR 457.1201(k), 42 CFR 438.3(m)].

For purposes of this Contract requirement, an entity is considered to have a controlling interest in the Contractor when that entity, directly or through one or more subsidiaries, has the authority to direct the operational or financial activities of the Contractor.

The Contractor shall comply with the financial viability standards, or any revisions or modifications of the standards, in conformance with the AHCCCS Financial Reporting Guide, Financial Ratios and Standards [42 CFR 438.116 (a) and (b), 42 CFR 438.3(m)].

The Contractor must submit unaudited financial information, including financial statements, in an Excel file through SharePoint via the Financial Reporting Package, and a flat file through the SFTP server, as specified in Section F, Attachment F3, Contractor Chart of Deliverables. The Contractor must utilize both the AHCCCS prepared Excel template and the flat file specifications as specified in the AHCCCS Financial Reporting Guide.

The Contractor must submit unaudited financial information, including financial statements, of any entity with a controlling interest in the Contractor (balance sheet and statement of revenues and expenses only) and must also submit complete audited financial statements of any entity with a controlling interest in the Contractor through SharePoint via the Financial Reporting Package as specified in Section F, Attachment F3, Contractor Chart of Deliverables. For purposes of this Contract requirement, an entity is considered to have a controlling interest in the Contractor when that entity, directly or through one or more subsidiaries, has the authority to direct the operational or financial activities of the Contractor.

The Contractor shall comply with the financial viability standards, or any revisions or modifications of the standards, in conformance with the AHCCCS Financial Reporting Guide, Financial Ratios and Standards [42 CFR 438.116 (a)-(b), 42 CFR 438.3(m)].

48. AFFILIATED CORPORATION

Within 120 days of Contract award, a non-governmental Contractor shall have established an affiliated corporation for the purposes of this Contract, whose sole activity is the performance of the requirements of this Contract or other contracts with AHCCCS (A.R.S. §36-2906.01). A.R.S. §36-3410(C) prohibits a regional behavioral health authority and its subsidiaries from providing behavioral health services directly to clients. Because Contract requires that the Contractor be an affiliated corporation for the purposes of this Contract, whose sole activity is the performance of the requirements of this Contract or other contracts with AHCCCS (A.R.S. §36-2906.01), the statutory prohibition on direct behavioral health service delivery applies to the Contractor and any subsidiary of the Contractor.

49. CHANGE IN CONTRACTOR ORGANIZATIONAL STRUCTURE

A change in Contractor organizational structure shall require prior approval of AHCCCS, as specified in ACOM Policy 317 and Section F, Attachment F3, Contractor Chart of Deliverables. The Contractor must submit notification and a detailed transition plan to AHCCCS 180 days prior to the effective date as specified in ACOM Policy 317. The purpose of the plan review is to ensure uninterrupted services to members, evaluate the new entity's ability to maintain and support the Contract requirements, and to ensure that services to members are not diminished and that major components of the organization and AHCCCS programs are not adversely affected by any change in Contractor Organizational Structure. AHCCCS reserves the right to obtain stakeholder input on proposed changes in a Contractor's organizational structure through a public notice and feedback process.

A change in Contractor organizational structure may require a Contract amendment. If the Contractor does not obtain prior approval, or AHCCCS determines that a Change in Contractor Organizational Structure is not in the best interest of the State, AHCCCS may terminate this Contract pursuant to Section E, Contract Terms and Conditions.

50. COMPENSATION

AHCCCS shall compensate the Contractor for services provided to Title XIX members during the Prior Period Coverage (PPC) time periods and to Title XIX/XXI members during the prospective time periods through capitation payments, special provisions for payment, and reinsurance as specified and defined within this Contract and appropriate laws, regulations or policies [42 CFR 438.6(b)(1)] and the *Special Provisions for Payment and Reinsurance* sections of this Contract. Title XXI members are not eligible for PPC services. Final capitation rates are identified and developed, and payment is made in accordance with 42 CFR 438.3(c) [42 CFR 457.1201(c)]. Capitation payments may only be made by the State and retained by the Contractor for Medicaid-eligible members [42 CFR 457.1201(c), 42 CFR 438.3(c)(2)].

The Contractor shall comply with Rates and Reimbursement Guidance as directed by AHCCCS and subsequently made available on the AHCCCS website at:

<https://www.azahcccs.gov/PlansProviders/RatesAndBilling/ManagedCare/>

Refer to Section D, Paragraph 3, *Enrollment and Disenrollment* for information regarding Prior Period Coverage for members transitioning to Title XIX from RBHA Non-Title XIX/XXI eligibility.

Reconciliation of Title XIX Behavioral Health PPC Expenses: AHCCCS shall make a payment to the Contractor for Title XIX behavioral health covered service medical expenses provided during the prior period coverage timeframe to GMH/SU and non-CMDP child members who are initially eligible as Non-Title XIX and assigned to a RBHA and who then transition to Title XIX eligibility if a Non-Title XIX enrollment segment was created before Title XIX enrollment. The payment shall include administrative funding and premium tax components. These expenses and revenue are excluded from any other reconciliation of the Contractor's service expenses. The Contractor shall properly account for any funding that was initially expensed as Non-Title XIX/XXI funding and was then replaced with Title XIX through the reconciliation of Title XIX Behavioral Health PPC Expenses.

Capitation Rate Development: Capitation rates are developed by AHCCCS according to the applicable provisions of 42 CFR Part 438 and applicable Actuarial Standards of Practice, and following generally accepted actuarial principles and practices. AHCCCS provides the following data to its actuaries for the purposes of rebasing and/or updating the capitation rates:

1. Utilization and unit cost data derived from adjudicated encounters, as well as individual encounter level detail as needed,
2. Audited and unaudited financial statements reported by the Contractor [42 CFR 438.3(m)],
3. Market Basket Inflation Trends,
4. AHCCCS fee-for-service and AHCCCS fee-for-service schedule pricing adjustments, if applicable,
5. Historical and projected enrollment by risk group
6. Programmatic or Medicaid covered service changes that affect reimbursement, and
7. Additional administrative requirements for the Contractor that affect reimbursement.

AHCCCS shall adjust capitation rates to best match payment to risk in order to further ensure the actuarial basis for the rates. Examples of elements that may be included are as follows:

1. Reinsurance (as specified in Section D, Paragraph 53, Reinsurance),
2. Age/gender,
3. Medicare enrollment for SSI members,
4. Risk sharing arrangements for limited or all members, and
5. Supplemental information requested from Contractors.

AHCCCS shall limit the amount of expenditures to be used in the capitation rates and Contractor Specific Requirements setting process and reconciliations to the lesser of the contracted/mandated amount or the Contractor paid amount for services or pharmaceuticals, in instances in which AHCCCS has specialty contracts or legislation/policy which limits the allowable reimbursement and shall review the information specified in this Section with Actuaries in renewal years to determine if adjustments are necessary.

AHCCCS will not include in the data provided to Actuaries for setting capitation rates encounters for Title XIX services billed by an IHS or a tribally owned or operated facility. Members enrolled with the Contractor who are initially found eligible for AHCCCS through Hospital Presumptive Eligibility will receive coverage of services during the prior period through AHCCCS Fee-For-Service. The capitation rates and Contractor Specific Requirements reflect that the Contractor is not responsible for the prior period cost of medically necessary covered services to those members. In conformance with ACOM Policy 323, AHCCCS shall reconcile the Contractor's service expenses to service revenue/net capitation paid to the Contractor for dates of service during the Contract Year being reconciled for the behavioral health categories/risk groups: CMDP Child, SMI members not receiving physical health care services under this Contract, SMI members receiving physical health care services under this Contract, Crisis Adult, and Crisis Child for purposes of limiting Contractor's profits and losses. It is the intent of AHCCCS that adjudicated encounter data will be used to determine service expenses. It is the intent of AHCCCS to review the limitation of profit and loss on an annual basis using a data driven approach. In order to ensure appropriate risk mitigation measures are in place, AHCCCS reserves the right to adjust upward and/or downward the profit and/or loss limits after the start of the Contract period via a Contract amendment and subject to CMS approval.

Information is reviewed by AHCCCS' actuaries in renewal years to determine if adjustments are necessary. The Contractor may cover services that are not covered under the State Plan or the Section 1115 Demonstration Waiver Special Terms and Conditions approved by CMS; however, AHCCCS will not consider costs of non-covered services in the development of capitation rates and Contractor Specific Requirements [42 CFR 438.6(e), Section 1903(i) and 1903(i)(17) of the Social Security Act].

The Contractor shall not provide any case management services to CMDP members that are covered under Contract via an Interagency Service Agreement between AHCCCS and the Department of Child Safety (DCS). AHCCCS shall recoup capitation payments, or withhold future capitation payments, for any duplicative case management services provided by the Contractor and DCS.

AHCCCS will deny payment to the Contractor for newly enrolled members when, and for so long as, payment for those members is denied by CMS under [42 CFR 438.730(e), 42 CFR 457.1270, 42 CFR 438.726(b), 42 CFR 438.700(b)(1)-(6), 42 CFR 438.730(e)(1)(i), 42 CFR 438.730(e)(1)(ii), Section 1903(m)(5)(B)(ii) of the Social Security Act].

Graduate Medical Education payments (GME) are not included in the capitation rates and Contractor Specific Requirements but paid out separately, if applicable, consistent with the terms of Arizona's State Plan.

Likewise, because AHCCCS does not delegate any of its responsibilities for administering Electronic Health Record (EHR) incentive payments to the Contractor, EHR payments are also excluded from the capitation rates and Contractor Specific Requirements and are paid out separately by AHCCCS pursuant to Section 4201 of the HITECH Act 42 USC 1396 b(t), and 42 CFR 495.300 et seq.

The Contractor shall develop and maintain internal controls and systems to separately account for both AHCCCS-related revenue and expenses and non-AHCCCS-related revenue and expenses by type and program and develop and maintain internal controls to prevent and detect fraud, waste and program abuse. The Contractor shall separately account for all funds received under this Contract in conformance with the requirements in the AHCCCS Financial Reporting Guide [42 CFR 438.3(m)].

American Indian Member - Service Provision: The Contractor is responsible for coverage of services under this Contract for members who are American Indians choosing to enroll with the Contractor. American Indian members, Title XIX and XXI, on- or off-reservation, eligible to receive services, may choose to receive services at any time from an American Indian Health Facility, Indian Health Service (IHS) Facility, a Tribally-Operated 638 Health Program, or an Urban Indian Health Program (I/T/U) [ARRA Section 5006(d), and SMDL 10-001]. The Contractor shall not impose enrollment fees, premiums, or similar charges on American Indians served by an American Indian Health Facility, Indian Health Service (IHS) Facility, a Tribally-Operated 638 Health Program, or an Urban Indian Health Program (I/T/U) (ARRA Section 5006(d), SMDL 10-001). AHCCCS/DFSM will reimburse for medically-necessary, acute-care services including physical and behavioral health services that are eligible for 100% Federal reimbursement and are provided by an IHS or 638 tribal facility to a Title XIX member enrolled with the Contractor who is eligible to receive services through an IHS or 638 tribal facility. Encounters for Title XIX

services billed by IHS or 638 tribal facilities will not be accepted by AHCCCS or considered in capitation rate development.

The Contractor is responsible for reimbursement (including physical and behavioral health services) to IHS or 638 tribal facilities for services provided to Title XXI American Indian members enrolled with the Contractor. Payment rates must be at least equal to the AHCCCS Fee-For-Service rates. The Contractor may choose to subcontract with an IHS or 638 tribal facility as part of its provider network for the delivery of Title XXI covered services. Expenses incurred by the Contractor for Title XXI services billed by an IHS or 638 tribal facility shall be encountered and considered in capitation rate development.

The Contractor shall demonstrate that there are sufficient Indian Health Care Providers (IHCPs) contracted in the provider network to ensure timely access to services available under the Contract from such providers for American Indian members who are eligible to receive services [42 CFR 457.1209, 42 CFR 438.14(b)(1), 42 CFR 438.14(b)(5)]. For the purposes of this section, "IHCP" does not include health care programs operated by the Indian Health Service or a 638 tribal facility that provide services to Title XIX members enrolled with the Contractor that are reimbursed by the AHCCCS/DFSM and are eligible for 100% Federal reimbursement.

The Contractor will make payment to IHCPs for covered services provided to American Indian members who are eligible to receive services through the IHCP regardless of whether the IHCP is an in-network provider. The Contractor may negotiate a rate for the services provided by an IHCP or, in the absence of a negotiated rate, the Contractor will reimburse the IHCP for its services at a rate not less than the level and amount the Contractor would pay to the same type of in-network provider that is not an IHCP [42 CFR 457.1209, 42 CFR 438.14(b)(2)(i)-(ii)]. In the event the amount the IHCP receives from the Contractor is less than the amount the IHCP would have received under FFS or the applicable encounter rate published annually in the Federal Register by the IHS, AHCCCS will make a supplemental payment to the IHCP to make up the difference between the amount the Contractor pays and the amount the IHCP would have received under FFS or the applicable encounter rate [42 CFR 457.1209, 42 CFR 438.14(c)(3)].

American Indian members shall be permitted to obtain covered services from out-of-network IHCPs from whom the member is otherwise eligible to receive such services [42 CFR 457.1209, 42 CFR 438.14(b)(4)]. The Contractor must permit an out-of-network IHCP to refer an American Indian member to a network provider [42 CFR 457.1209, 42 CFR 438.14(b)(6)].

Premium Tax: A.R.S. §36-2905 and A.R.S. §36-2944.01 require that the Contractor report and pay premium tax quarterly to Department of Insurance and Financial Institutions (DIFI) based on Title XIX/XXI payments received from AHCCCS during the quarter being reported. Capitation payments, reinsurance payment, reconciling payments/recoupments, supplemental payments, cost settlements, and health insurance provider fee payments, will have the Premium Tax included in the payments/recoupments. Premium tax report(s) shall be due to DHCM as specified in Section F, Attachment F3, Contractor Chart of Deliverables. Refer to ACOM Policy 304.

Health Insurance Providers Fee: Section 9010 of the Patient Protection and Affordable Care Act (ACA) requires that the Contractor, if applicable, pay a Health Insurance Provider Fee (HIPF) annually based on its respective market share of premium revenues from the preceding year. Subject to the receipt of documentation from the Contractor regarding the amount of the

Contractor's liability for the HIPF, AHCCCS shall make a capitation rate adjustment consistent with a methodology approved by CMS to approximate the cost associated with the HIPF. The cost of the Provider Fee will include both the Provider Fee itself and the corporate income tax liability the Contractor incurs related to the Provider Fee. The Contractor must submit the items specified in Section F, Attachment F3, Contractor Chart of Deliverables. Refer to ACOM Policy 320 for further details.

For a given Fee Year, the Federal Government may place a suspension for HIPF taxes that would be paid in the fee year based on revenue received in the calendar year prior to the fee year. When there is such Federal action, AHCCCS will suspend Contractor submission of the Form 8963, Report of Health Insurance Provider Information, and Attachment B, Health Insurance Providers Fee Liability Reporting Template, related to the Fee Year suspended which would be due September 30 of the suspended year. AHCCCS will not make HIPF payments to the Contractor for a fee year that is suspended. Additionally, AHCCCS will suspend Contractor submission of the copies of its federal and state filings for the suspended fee year due April 30 of the following year

Practitioner/Dentist Rate Requirements: The Contractor shall be required to pass through an adjustment equal to the AHCCCS defined adjustment to base reimbursement rates for services reimbursed under the AHCCCS dental fee schedule and physician fee schedule for all contracted rates in place three months prior to the effective date of the rate adjustment. AHCCCS may verify that these pass through requirements have been met.

Behavioral Health Services for School-Aged Children: The Contractor shall use designated funding to provide behavioral health services to school-aged children in school settings, identified as Place of Service (POS) 03. The Contractor shall collaborate with schools and contracted providers to determine the extent of the services to be provided in individual schools. The Contractor shall submit a deliverable as specified in Section F, Attachment F3, Contractor Chart of Deliverables to report on a number of items regarding the services provided in this setting.

Special Provisions for Payment: In accordance with 42 CFR 438.6, the Contractor shall be eligible for incentive payments and shall participate in delivery system and provider payment initiatives. These provisions are specified below.

Delivery System and Provider Payment Initiatives

42 CFR Sections 438.6(c) and 438.6(d) provide the State flexibility to implement delivery system and provider payment initiatives. AHCCCS reserves the right to utilize this flexibility to require Contractor participation in initiatives that may require certain payment levels and/or certain directed payments to providers to support State actions that are critical to ensuring timely access to high-quality care. AHCCCS will obtain prior written approval from CMS prior to implementation, if applicable, and Contractors will be required to implement, as directed by AHCCCS guidance. AHCCCS anticipates that most initiatives will involve payments to the Contractor outside of the monthly base capitation payments, made as a separate lump sum payment. AHCCCS will compute directed payment amounts and ensure the associated payments and/or capitation rates meet actuarial soundness requirements, as applicable.

Access to Professional Services Initiative: AHCCCS seeks to provide enhanced support to certain professionals in order to (1) preserve and enhance access to these professionals who deliver essential services to Medicaid recipients in Arizona and (2) support professionals who are critical to professional training and education efforts.

Access to Professional Services Initiative (APSI) is a program to preserve and promote access to medical services through a uniform percentage increase to the Contractor's rates for professional services provided by qualified physicians and non-physician professionals affiliated with designated hospitals who meet the definition specified in ACOM Policy 330. Federal regulation mandates that these payments be prior-approved by CMS before they shall be implemented. AHCCCS will notify the Contractor when CMS approves the APSI initiative. The rate increase is intended to supplement, not supplant, payments to Qualified Practitioners as defined in ACOM Policy 330.

AHCCCS will compute the Qualified Practitioners increase on a quarterly basis and will make available to the Contractor the associated amounts of payments owed. The Contractor will be paid outside of the monthly capitation payments through a separate payment. Requirements are further specified in ACOM Policy 330.

AHCCCS may amend the APSI components annually or during the contract period, and will provide guidance to the Contractor as applicable.

Pediatric Services Initiative: AHCCCS seeks to provide enhanced support to ensure the financial viability of the state's Qualified Children's Hospitals as defined in ACOM Policy 327.

Pediatric Services Initiative (PSI) is a program to preserve and promote access to medical services through a uniform percentage increase to the Contractor's rates for inpatient and outpatient services provided by Qualified Children's Hospitals. Federal regulation mandates that these payments be prior-approved by CMS before they shall be implemented. AHCCCS will notify the Contractor when CMS approves the PSI initiative. The rate increase is intended to supplement, not supplant, payments to Qualified Children's Hospitals as defined in ACOM Policy 327.

AHCCCS will compute the increase on a quarterly basis and will make available to the Contractor the associated amounts of payments owed. The Contractor will be paid outside of the monthly capitation payments through a separate payment. Requirements are further specified in ACOM Policy 327.

AHCCCS may amend the PSI components annually or during the contract period, and will provide guidance to the Contractor as applicable..

Targeted Investments: The Targeted Investments (TI) program is authorized under AHCCCS' Section 1115 Demonstration Waiver for five years beginning in CYE 17. The TI program is AHCCCS' strategy to provide financial incentives to eligible AHCCCS providers to develop systems for integrated care. Federal regulation mandates that these payments be prior-approved by CMS before they shall be implemented.

In order to ensure the stability of AHCCCS' delivery system efforts, the Contractor is strongly encouraged to contract with eligible PCPs, behavioral health providers, integrated clinics and hospitals participating in TI. The Contractor will provide financial incentives (referenced below) under the TI initiative to the participating providers who demonstrate performance improvement by meeting certain benchmarks for integrating and coordinating physical and behavioral health care. Contractors are encouraged to:

1. Maintain membership numbers for those members assigned to contracted/TI eligible participating providers, as appropriate, and
2. Increase member assignment to high performing contracted/TI eligible participating providers, as appropriate.

The Contractor is required to contract with eligible TI providers serving adults transitioning from the justice system participating in the TI program. In the event the Contractor and the provider fail to negotiate a contract, the Contractor shall permit members to continue receiving services from these providers and shall reimburse the provider at 100% of the AHCCCS FFS rates.

AHCCCS will collect information via the Provider Affiliation Transmission (PAT) file and evaluate the Contractor's network. If AHCCCS determines a material impact to TI participating provider(s), AHCCCS may require the Contractor to take steps to rectify the material impact.

AHCCCS will compute the participating provider financial incentives after completion of the Contract Year and will make available to the Contractor a list of TI providers and associated amounts of financial incentive payments owed for the Contract Year. Also after completion of the Contract Year, AHCCCS will adjust capitation rates in the form of a lump sum payment to the Contractor in an amount equal to the financial incentive payments due TI providers plus an administrative payment for the Contractor. Requirements are further specified in ACOM Policy 324.

This delivery system reform initiative [42 CFR 438.6(c)]:

1. Makes participation in the delivery system reform initiative available, using the same terms of performance, to a class of providers providing services under the contract related to the reform initiative,
2. Uses a common set of performance measures across all payers and providers,
3. Does not set the amount or frequency of the expenditures, and
4. Does not allow AHCCCS to recoup any unspent funds allocated for these arrangements from the Contractor [42 CFR 438.6(c)(1)(ii)].

Differential Adjusted Payments: AHCCCS has introduced multiple Differential Adjusted Fee Schedules to distinguish providers who have committed to supporting designated actions that improve patients' care experience, improve members' health, and reduce cost of care growth. Federal regulation mandates that these payments be prior-approved by CMS before they shall be implemented. AHCCCS will notify the Contractor when CMS approves the Differential Adjusted Payments (DAPs). AHCCCS may amend the DAP components annually, including but not limited to, the qualifications, rate adjustments, and/or providers eligible for the increases. The Contractor will support the Rate Differential in accordance with 42 CFR 438.6(c)(1)(iii)(B). The DAPs effective October 1, 2020 require that the Contractor shall adjust payments for specific providers and provider types listed below, in addition to any AHCCCS fee for service rate

changes adopted by the Contractor, to the qualified providers. This DAP increase to rates should be included on all payments made to qualified providers (including sub-capitation and block payment arrangements). These DAP payments are specified in the Public Notices and Opportunities for Public Comment – Rates and Supplemental Payment - DAP public notice documents “AHCCCS Differential Adjusted Payment (DAP) Activity CYE 2021 Final Public Notice May 27, 2020” as well as specified in any fee for service rate public notices that are applicable to the same time period posted to the AHCCCS website:

https://www.azahcccs.gov/AHCCCS/Downloads/PublicNotices/rates/Final_DAP_Notice_052720_20.pdf

DAP rates apply to the following qualified providers:

1. Nursing Facilities (Provider Type 22),
2. Hospitals subject to APR-DRG Reimbursement (Provider Type 02),
3. Critical Access Hospitals (Provider Type 02),
4. Other Hospitals and Inpatient Facilities (Psychiatric Hospitals with the exception of public hospitals, Provider Type 71; Subacute Facilities (1-16 beds), Provider Type B5; Rehabilitation, Secure Residential Treatment Centers (17+ beds), Provider Type B1; Non-Secure Residential Treatment Centers (17+ beds), Provider Type B3; Subacute Facilities (17+ beds), Provider Type B6; Rehabilitation Hospitals, Provider Type C4; Long Term Acute Care Hospitals, Provider Type C4),
5. Integrated Clinics (Provider Type IC),
6. Physicians, Physician Assistants, and Registered Nurse Practitioners (Provider Types 08, 18, 19, and 31),
7. Dental Providers (Provider Types D1, D2, D3, D4, 07, 54),
8. Home and Community Based Services Providers (Provider Types A3, FI, IC, 23, 39, 40, 46, 77, and 95), and
9. Behavioral Health Outpatient Clinics (Provider Type 77).

AHCCCS will provide a reference file that will contain the qualified DAP providers, or a provider file for individual provider flags, for applicable DAP categories. In addition, AHCCCS will post listings of qualified providers by DAP category on the AHCCCS Fee-For-Service Fee Schedules - Differential Adjusted Payments - “Qualifying Provider” webpage on the AHCCCS website:

<https://www.azahcccs.gov/PlansProviders/RatesAndBilling/FFS/qualifyingproviders.html>

The Contractor shall utilize these files along with information specified in the DAP public notice on the AHCCCS website to increase the rates that the Contractor would otherwise pay by the appropriate percentage for contracted and non-contracted providers. For contracted providers, the DAP category is reflected as an increase in the provider contracted rates. For non-contracted providers not reimbursed at a provider specific rate, the applicable AHCCCS MCO fee schedule (also supplied as a reference file extract) shall be used as the default base rate to which the applicable increase or increase percentages shall be applied for the qualified providers. For non-contracted providers reimbursed at a provider specific rate, the AHCCCS supplied rates are reflective of the % increase.

Federally Qualified Health Centers: The Contractor shall pay the Prospective Payment System (PPS) rates to FQHCs as posted by AHCCCS. The FQHC PPS Fee Schedule includes any

adjustments for FQHC Differential Adjusted Payment (FQHC DAP) as listed in the State Plan Amendment. Federal regulation mandates that payments including FQHC DAP be prior-approved by CMS before they are implemented. The Contractor shall support the Rate Differential in accordance with 42 CFR 438.6(c)(1)(iii)(B).

Hospital Enhanced Access Leading to Health Improvements Initiative: AHCCCS seeks to provide enhanced support to hospitals in order to preserve and enhance access to these facilities that deliver essential services to Medicaid members in Arizona. Hospital Enhanced Access Leading to Health Improvements Initiative (HEALTHII) is a program to preserve and promote access to medical services through an increase in the amounts specified by AHCCCS to the Contractor's reimbursement to contracted hospitals. Federal regulation mandates that these payments be prior-approved by CMS before they shall be implemented. AHCCCS will notify the Contractor when CMS approves the HEALTHII. Contractors shall not supplant contracted hospital reimbursement rates with payments made under the HEALTHII directed payment program. AHCCCS will compute the HEALTHII increase on a quarterly basis and will make available to the Contractor the associated amounts of payments owed. The Contractor will be paid outside of the monthly capitation payments through a separate payment. AHCCCS may amend the HEALTHII components annually or during the contract period, and will provide guidance to the Contractor as applicable.

State Only Transplants Option 1 and Option 2: The Contractor will be paid as a lump-sum payment, from State Only funding, an administrative component for those member months the member is enrolled with the Contractor. For Option 1 members the Contractor will be paid the administrative component up to a 12-month continuous period of extended eligibility. For Option 2 members the administrative component will be paid for the period of time the transplant is scheduled or performed. All medically necessary covered services will be reimbursed 100% with no deductible through Reinsurance payments based on adjudicated encounters. Delivery supplemental payments will not apply to women who deliver during the 12 month continuous period of extended eligibility specified as Option 1.

Financial Reports: The Contractor shall provide clarification of accounting issues found in financial reports identified by AHCCCS upon request and provide annual financial reports audited by an independent Certified Public Accountant prepared in accordance with Generally Accepted Auditing Standards (GAAS) and the approved cost allocation plan. The Contractor shall have the annual Supplemental Reports audited and signed by an independent Certified Public Accountant [42 CFR 438.3(m)]. The Contractor shall comply with all financial reporting requirements specified in Section F, Attachment F3, Contractor Chart of Deliverables, and the AHCCCS Financial Reporting Guide [42 CFR 457.1201(k), 42 CFR 438.3(m)] a copy of which may be found on the AHCCCS website. The required reports are subject to change during the Contract term and are summarized in Section F, Attachment F3, Contractor Chart of Deliverables.

Prepare deliverables in accordance with Generally Accepted Accounting Principles (GAAP) in electronic copy form. Where specific guidance is not found in authoritative literature or where multiple acceptable methods to record accounting transactions are available, the Contractor shall, when directed by AHCCCS, comply with the requirements in conformance with the AHCCCS Financial Reporting Guide [42 CFR 438.3(m)].

Other Financial Obligations: The Contractor shall comply with any limitations imposed by AHCCCS on the Contractor's Block Payment arrangements in subcontracts for certain types of providers. See the AHCCCS Financial Reporting Guide [42 CFR 438.3(m)].

51. CAPITATION ADJUSTMENT

Rate Adjustments: The rates set forth in Section B shall not be subject to renegotiation during the term of the Contract.

Rates are based on public or private payment rates for comparable services for comparable populations, consistent with actuarially sound principles as defined at 42 CFR 457.10 [42 CFR 457.1203(a)]. Capitation rates may be modified during the term of the Contract when changes to provisions in the Contract require adjustment to maintain actuarially sound rates. In addition, AHCCCS, at its sole discretion, may adjust capitation rates to address fundamental changes in circumstances such as:

1. Program changes,
2. Legislative requirements,
3. Updated encounter experience,
4. Rate setting assumptions, and
5. CMS mandates.

If a capitation rate adjustment is determined necessary, the adjustment and assumptions may be discussed with the Contractor prior to modifying capitation rates. The Contractor may request a review of a program change if it believes the program change was not equitable; AHCCCS will not unreasonably withhold such a review.

The Contractor is responsible for notifying AHCCCS of program and/or expenditure changes initiated by the Contractor during the Contract term that may result in material changes to the current or future capitation rates.

Contractor Default: If the Contractor is in any manner in default in the performance of any obligation under this Contract, AHCCCS may, at its option and in addition to other available remedies, adjust the amount of payment until there is satisfactory resolution of the default.

Change in Member Status: The Contractor shall reimburse AHCCCS and/or AHCCCS may deduct from future monthly capitation for any portion of a month during which the Contractor was not at risk due to, for example:

1. Death of a member,
2. Inmate of a public institution,
3. Institution for Mental Disease (IMD) stays greater than 15 cumulative days during the calendar month for members age 21-64,
4. Duplicate capitation to the same Contractor,
5. Adjustment based on change in a member's contract type, or
6. Voluntary withdrawal.

AHCCCS reserves the right to modify its policy on capitation recoupments at any time during the term of this Contract.

Inmate of a Public Institution Reporting: Several counties are submitting daily files of all inmates entering their jail and all inmates released. AHCCCS will match these files against the database of active AHCCCS members. AHCCCS members who become incarcerated will be disenrolled from their Contractor and placed in a “no-pay” status for the duration of their incarceration or their eligibility period if shorter. AHCCCS will provide the Contractor with incarceration information for the member on the Contractor’s 834 file. The file will indicate an “IE” code for ineligible associated with the disenrollment. The file will also include a data element indicating the County of jurisdiction and “CTYPRI” as the new health plan of enrollment due to incarceration. Upon release from jail, the member will be re-enrolled with their previous Contractor. A member is eligible for covered services until the effective date of the member’s “no-pay” status.

If the Contractor becomes aware of a member who becomes an inmate of a public institution and who is not identified in the AHCCCS reporting above, the Contractor must notify AHCCCS for an eligibility determination. Notifications must be sent via email to the following email address: MCDUJustice@azahcccs.gov

Notifications must include:

1. AHCCCS ID,
2. Name,
3. Date of Birth (DOB),
4. When incarcerated, and
5. Where incarcerated.

The Contractor does not need to report members incarcerated with the Arizona Department of Corrections.

Payments: Subject to the availability of funds, AHCCCS shall make payments to the Contractor in accordance with the terms of this Contract provided that the Contractor’s performance is in compliance with the terms and conditions of this Contract. Payment must comply with requirements of A.R.S. Title 36. AHCCCS reserves the option to make payments to the Contractor by wire or National Automated Clearing House Association (NACHA) transfer and will provide the Contractor at least 30 days’ notice prior to the effective date of any such change.

Where payments are made by electronic funds transfer, AHCCCS shall not be liable for any error or delay in transfer or indirect or consequential damages arising from the use of the electronic funds transfer process. Any charges or expenses imposed by the bank for transfers or related actions shall be borne by the Contractor.

Except for adjustments made to correct errors in payment, and as otherwise specified in this Contract, any savings remaining to the Contractor as a result of favorable claims experience and efficiencies in service delivery at the end of the Contract term may be kept by the Contractor.

All funds received by the Contractor pursuant to this Contract shall be separately accounted for in accordance with generally accepted accounting principles.

Except for monies received from the collection of third-party liabilities, the only source of payment to the Contractor for the services provided hereunder is from funds under the control of AHCCCS. An error discovered by the State, in the amount of fees paid to the Contractor, with or without an audit, will be subject to adjustment or repayment by AHCCCS via a recoupment from future payment(s) to the Contractor, or by making an additional payment to the Contractor. When the Contractor identifies an overpayment, AHCCCS must be notified and reimbursed within 30 days of identification [42 CFR 457.1285, 42 CFR 438.608(c)(3)].

No payment due the Contractor by AHCCCS may be assigned or pledged by the Contractor. This section shall not prohibit AHCCCS at its sole option from making payment to a fiscal agent hired by the Contractor.

Community Reinvestment: The Contractor shall demonstrate a commitment to the local communities in which it operates through community reinvestment activities including contributing 6% of its annual profits to community reinvestment. The Contractor shall submit a plan, detailing its anticipated community reinvestment activities, as specified in Section F, Attachment F3, Contractor Chart of Deliverables. The Contractor shall submit a Community Reinvestment Report of actual expenditures as specified in Section F, Attachment F3, Contractor Chart of Deliverables.

Recoupments: The Contractor's claims processes, as well as its prior authorization and concurrent review process, must minimize the likelihood of having to recoup already-paid claims.

Any individual recoupment in excess of \$50,000 per provider or Tax Identification Number (TIN) within a Contract Year or greater than 12 months after the date of the original payment must be approved as specified in Section F, Attachment F3, Contractor Chart of Deliverables and as further specified in ACOM Policy 412.

When recoupment amounts for a Provider (TIN) cumulatively exceed \$50,000 during a Contract Year (based on recoupment date), the Contractor must report the cumulative recoupment monthly to the designated AHCCCS Operations and Compliance Officer as specified in the AHCCCS Claims Dashboard Reporting Guide and Section F, Attachment F3, Contractor Chart of Deliverables.

The Contractor must void encounters for claims that are recouped in full. For recoupments that result in a reduced claim value or adjustments that result in an increased claim value, replacement encounters must be submitted. AHCCCS may validate the submission of applicable voids and replacement encounters upon completion of any approved recoupment that meets the qualifications of this section. All replaced or voided encounters must reach adjudicated status within 120 days of the approval of the recoupment. Refer to ACOM Policy 412 and the AHCCCS Encounter Manual for further guidance.

Court Ordered Evaluation and Court Ordered Treatment: The Contractor shall develop collaborative processes with the counties to ensure coordination of care, information sharing and timely access to pre-petition screening, Court Ordered Evaluation (COE) and Court Ordered Treatment (COT) services provided. Title XIX/XXI funds shall not be used to reimburse COE services. Reimbursement for pre-petition screening and COE services are the responsibility of the County pursuant to A.R.S. §36-545. The county's financial responsibility ends with the filing of a petition for COT. Counties maintain financial responsibility of any services provided under

COE until the date and time the petition for COT is actually filed. Some counties have an agreement with AHCCCS under A.R.S. §36-545.07 to provide those services for the county. Refer to ACOM Policy 437 for clarification regarding financial responsibility for the provision of medically necessary behavioral health services rendered after the completion of a COE, and ACOM Policy 423 for clarification regarding the financial responsibility for the provision of specific behavioral health treatment/care when such treatment is ordered as a result of a judicial ruling, involving driving under the influence (DUI), domestic violence, or other criminal offense. Refer to AMPM Policy 320-U. For additional information regarding behavioral health services refer to Title 9 Chapter 22 Articles 2 and 12.

The Contractor shall develop policies and training that outline its role and responsibility related to the treatment of individuals who are unable or unwilling to consent to treatment. The policy must address the processes provided in A.R.S. Title 36, Chapter 5, Article 4:

1. Involuntary pre-petition screening, evaluation, and treatment processes,
2. Processes for tracking the status of court orders,
3. Execution of court orders, and
4. Judicial review processes.

The Contractor shall develop and make available to providers information regarding specifically where a behavioral health provider would refer an individual for a voluntary or involuntary evaluation.

The Contractor shall ensure initiation of follow-up activities for individuals for whom a crisis service has been provided as the first service to ensure engagement with ongoing services as clinically indicated.

52. MEMBER BILLING AND LIABILITY FOR PAYMENT

AHCCCS registered providers may charge AHCCCS members for services which are excluded from AHCCCS coverage, which are provided in excess of AHCCCS limits, or as otherwise specified in A.A.C. R9-28-701.10(2).

The Contractor shall not hold Title XIX/XXI members liable for payment for covered services provided to the member except as permitted under A.A.C. R9-28-701.10 (2), 42 CFR 438.106(b)(1)-(2), 42 CFR 438.3(k), 42 CFR 438.230, and Section 1932(b)(6) of the Social Security Act.

The Contractor shall not hold members liable for payment for covered services provided to the member except for permitted copayments and calculated share of cost, the Contractor or its subcontractors must ensure that members are not held liable for:

1. The Contractor's or any subcontractor's debts in the event of the Contractor's or the subcontractor's insolvency, [42 CFR 457.1285, 42 CFR 457.1226, 42 CFR 438.106(a), 42 CFR 438.606, 42 CFR 438.116, Section 1932(b)(6) of the Social Security Act], and
2. Covered services provided to the member except as permitted under A.A.C. R9-28-701.10(2), 42 CFR 457.1226, 42 CFR 457.1233(b), 42 CFR 438.106(b)(1)-(2) and (c), 42 CFR 438.3(k), 42 CFR 438.230(c)(1)-(2), Section 1932(b)(6) of the Social Security Act.

Payments to the Contractor or any subcontractors for covered services furnished under a contract, referral or other arrangement, to the extent that those payments are in excess of the amount the member would owe if the Contractor or any subcontractor provided the services directly [42 CFR 438.106(c), 42 CFR 438.3(k), 42 CFR 438.230, Section 1932(b)(6) of the Social Security Act].

53. REINSURANCE

Reinsurance: Reinsurance is a stop-loss program provided by AHCCCS to the Contractor for the partial reimbursement of covered medical services for the Contract Year as specified in this paragraph. The reinsurance Contract Year is defined as the year beginning on October 1 and ending on September 30. Reinsurance is paid for services incurred for a SMI Integrated member beyond an annual deductible level. AHCCCS is self-insured for the reinsurance program which is characterized by an initial deductible level and a subsequent coinsurance percentage. The coinsurance percentage is the rate at which AHCCCS will reimburse the Contractor for covered services incurred above the deductible. The deductible is the responsibility of the Contractor. Deductible levels are subject to change by AHCCCS during the term of this Contract. Any change to reinsurance deductibles would have a corresponding impact on capitation rates. Refer to the AHCCCS Reinsurance Policy Manual for further details on the Reinsurance Program.

AHCCCS will reimburse a Contractor for costs incurred in excess of the applicable deductible level, subject to coinsurance percentages and Medicare/Third Party Liability (TPL) payment, less any applicable quick pay discounts, slow payment penalties, and interest. PPC and prospective expenses are included under the reinsurance program. For reimbursement of reinsurance encounters in subcapitated arrangements, refer to the AHCCCS Reinsurance Policy Manual.

Reinsurance as specified applies to all SMI Integrated members.

The table below represents deductible and coinsurance levels. Refer to specific case types below for coverage details.

Reinsurance Case Type	Deductible	Coinsurance
Regular Reinsurance	\$35,000	75%
Catastrophic Reinsurance	N/A	85%
Transplant and Other Case Types	Refer to specific paragraphs below	Refer to specific paragraphs below

Annual deductible levels apply to all SMI Integrated members eligible for regular reinsurance except for State Only Transplant.

Regular Reinsurance: Regular reinsurance covers partial reimbursement of covered inpatient facility medical services. Same-day admit-and-discharge services do not qualify for reinsurance. Inpatient services are those services provided in acute care hospitals (provider type 02) Specialty per diem hospital (provider type C4), and accredited psychiatric hospitals (provider type 71) only. Regular reinsurance does not cover services provided by any other inpatient provider type,

including but not limited to residential treatment centers and subacute facilities. Refer to the AHCCCS Reinsurance Policy Manual for additional details.

In certain situations as specified in the AHCCCS Reinsurance Policy Manual, per diem rates paid for nursing facility services provided within 30 days of an acute hospital stay, including room and board, provided in lieu of hospitalization for up to 90 days in any contract year shall be eligible for reinsurance coverage. The Skilled Nursing Facility stay must be the first continuous Skilled Nursing Facility stay post inpatient discharge. A second admission to the Skilled Nursing Facility is not eligible for reinsurance unless there is an additional Inpatient stay directly preceding the second admission. The Contractor shall submit their Nursing Facility Contracted Rates for Reinsurance as specified in Section F, Attachment F3, Contractor Chart of Deliverables.

Encounter Submission Rules and Payments for Reinsurance: Contractors are reimbursed for reinsurance claims by submitting encounters that associate to a reinsurance case. All reinsurance associated encounters, except as noted below for “Disputed Matters,” must reach an adjudicated/approved status within 15 months from the end date of service, or date of eligibility posting, whichever is later. For all reinsurance case types, for services or pharmaceuticals, in the instances in which AHCCCS has specialty contracts or legislation/policy limiting the allowable reimbursement, the amount to be used in the computation of reinsurance will be the lesser of the contracted/mandated amount or the Contractor paid amount. Encounters for claims which cross over reinsurance contract years will not be eligible for reinsurance. The association of an encounter to a reinsurance case does not automatically qualify the encounter for reinsurance reimbursement.

AHCCCS will not pay reinsurance on encounters for interim claims. The final claim submitted by a hospital associated with the full length of the patient stay due to a change in Contractor will be eligible for reinsurance consideration as long as the days of the hospital stay do not cross reinsurance contract years.

The Contractor must void encounters for any claims that are recouped in full. For recoupments that result in a reduced claim value or any adjustments that result in an increased claim value, replacement encounters must be submitted and reach adjudicated/approved status within 15 months of end date of service to receive adjusted reinsurance benefits. Refer to the AHCCCS Reinsurance Policy Manual for further details. The Contractor should refer to Section D, Paragraph 61, Encounter Data Reporting, for additional encounter reporting requirements.

When a SMI Integrated member changes Contractors within a reinsurance contract year, for reinsurance purposes, costs incurred for that SMI Integrated member do not follow the SMI Integrated member to the receiving Contractor. Encounters from the Contractor the SMI Integrated member is leaving (for dates of service within the current reinsurance contract year) will not be applied toward the receiving Contractor’s deductible level.

Catastrophic Reinsurance: The Catastrophic Reinsurance program includes SMI Integrated members receiving certain biological drugs and those SMI Integrated members who are diagnosed with Hemophilia, von Willebrand’s Disease or Gaucher’s Disease, as follows:

Biologics/High Cost Specialty Drugs: Catastrophic reinsurance is available to cover the cost of certain biologics/high cost specialty drugs when medically necessary. Refer to

the AHCCCS Reinsurance Policy Manual for a complete list of the approved biologics/high cost specialty drugs. When a biosimilar (generic equivalent) of a biologic/high cost specialty drug is available, and AHCCCS has determined that the biosimilar is more cost effective than the brand name biologic/high cost product, AHCCCS will reimburse 85% of the lesser of the biologic/high cost specialty drug or its biosimilar equivalent for reinsurance purposes unless the biosimilar equivalent is contraindicated for a specific member. If the AHCCCS Pharmacy & Therapeutics (P&T) Committee mandates the utilization of only the brand name biologic/high cost specialty drug rather than the biosimilar, AHCCCS will reimburse 85% of the paid amount of the branded biologic/high cost specialty drug.

Hemophilia: Catastrophic reinsurance coverage is available for all SMI Integrated members diagnosed with Hemophilia. AHCCCS holds a specialty contract for anti-hemophilic agents and related services for Hemophilia and von Willebrand's. The Contractor shall exclusively utilize the AHCCCS contract for Hemophilia Factor and Blood Disorders as the authorizing payor. As such, the Contractor will provide prior authorization, care coordination, and reimbursement for all components covered under the Contract for their SMI Integrated members. The Contractor will comply with the terms and conditions of the AHCCCS Contract. Reinsurance coverage for anti-hemophilic blood factors will be limited to 85% of the AHCCCS contracted amount or the Contractor's paid amount, whichever is lower.

Von Willebrand's Disease: Catastrophic reinsurance coverage is available for all SMI Integrated members diagnosed with von Willebrand's Disease who are non-DDAVP responders and dependent on Plasma Factor VIII.

Gaucher's Disease: Catastrophic reinsurance is available for SMI Integrated members diagnosed with Gaucher's Disease classified as Type I and are dependent on enzyme replacement therapy.

For additional detail and restrictions refer to the AHCCCS Reinsurance Policy Manual. There are no deductibles for catastrophic reinsurance cases. For SMI Integrated members receiving biologic/high cost specialty drugs, AHCCCS will reimburse at 85% of the cost of the drug only. For those SMI Integrated members diagnosed with Hemophilia, von Willebrand's Disease and Gaucher's Disease, all medically necessary covered services provided during the reinsurance Contract Year shall be eligible for reimbursement at 85% of the AHCCCS allowed amount or the Contractor's paid amount, whichever is lower, depending on the subcap/CN1 code indicated on the encounter.

Gene therapies will be evaluated on a case-by-case basis for members with hemophilia, von Willibrands, Gaucher's and all other disease states.

The Contractor shall notify AHCCCS of cases identified for catastrophic reinsurance coverage (Catastrophic Reinsurance Request), as specified in Section F, Attachment F3, Contractor Chart of Deliverables. Catastrophic reinsurance will be paid for a maximum 30-day retroactive period from the date of notification to AHCCCS. For continuation of previously approved catastrophic reinsurance, the Contractor shall submit the Catastrophic Reinsurance Request and Catastrophic

Reinsurance and Crossover Member List as specified in Section F, Attachment F3, Contractor Chart of Deliverables.

Other Catastrophic Reinsurance: For all reinsurance case types other than transplants, the Contractor is reimbursed 100% for all medically necessary covered expenses provided in a reinsurance contract year, after the Contractor paid amount in the reinsurance case reaches \$1,000,000. It is the responsibility of the Contractor to notify the AHCCCS/DHCM, Reinsurance Supervisor once a reinsurance case reaches \$1,000,000. Failure to notify AHCCCS or failure to adjudicate encounters appropriately within 15 months from the end date of service will disqualify the related encounters for 100% reimbursement consideration.

Payment of Regular and Catastrophic Reinsurance Cases: AHCCCS will reimburse a Contractor for costs incurred in excess of the applicable deductible level, subject to coinsurance percentages and Medicare/Third Party Liability (TPL) payment, less any applicable quick pay discounts, slow payment penalties, and interest. For reimbursement of reinsurance encounters in subcapitated arrangements, refer to the AHCCCS Reinsurance Policy Manual.

All catastrophic claims are subject to medical review by AHCCCS.

Transplant Reinsurance: This program covers SMI Integrated members who are eligible to receive AHCCCS covered major organ and tissue transplants. Refer to the AMPM Policy 310-DD and the AHCCCS Reinsurance Policy Manual for covered services and types of organ and tissue transplants. The Contractor shall notify AHCCCS when a SMI Integrated member is referred to a transplant facility for evaluation for an AHCCCS-covered organ transplant. In order to qualify for reinsurance benefits, the Transplant Reinsurance Request must be received by AHCCCS as specified in Section F, Attachment F3, Contractor Chart of Deliverables. For continuation of previously approved transplant reinsurance, the Contractor shall submit the Transplant Reinsurance Crossover Member List with members that have a component that crosses the contract year, notification to AHCCCS shall be submitted, as specified in Section F, Attachment F3, Contractor Chart of Deliverables.

If a Contractor intends to use an out-of-State transplant facility for a covered transplant and AHCCCS holds an in-State contract for that transplant type, the Contractor must obtain prior approval from AHCCCS/DHCM, Medical Management. Depending on the unique circumstances of each approved out-of-state transplant, AHCCCS/DHCM, Finance/Reinsurance may consider, on a case-by-case basis, the Contractor's reinsurance coverage at 85% of the Contractor's paid amount for comparable case/component rates. If no prior approval is obtained, and the Contractor incurs costs at the out-of-State facility, those costs are not eligible for either transplant or regular reinsurance.

Payment of Transplant Reinsurance Cases: Reinsurance reimbursement is based upon the AHCCCS transplant contract amount for the transplant services rendered at an AHCCCS contracted facility. Reinsurance coverage for transplants received is paid at the lesser of 85% of the AHCCCS contract amount for the transplant services rendered or 85% of the Contractor's paid amount. Transplant contracts include per diem rates for inpatient follow-up care post-transplant (day 11+ for kidneys and day 61+ for all other transplants). Reinsurance for inpatient follow-up care post-transplant follows the regular reinsurance reimbursement, including a deductible requirement. Reinsurance coverage for transplants received at a non-AHCCCS

contracted facility is paid the lesser of 85% of the lowest AHCCCS contracted rate for the same organ or tissue, or the Contractor paid amount. The AHCCCS contracted transplant rates may be found on the AHCCCS website.

Reinsurance payments are linked to transplant encounter submissions. The Contractor is required to submit all supporting encounters for transplant services and additional documentation as identified in the AHCCCS Reinsurance Policy Manual. In order to receive reinsurance payment for transplant stages, billed amounts and health plan paid amounts for adjudicated encounters must equal the amounts on the required documentation submitted to AHCCCS. Timeliness for each component payment will be calculated based on the latest adjudication date for the complete set of encounters related to the component. Clean claims must be received no later than 15 months from the end date of service for each particular transplant stage. Refer to the AHCCCS Reinsurance Policy Manual for the appropriate billing of transplant services.

Transplant Extended Eligibility Option 1 and Option 2: Individuals who are currently on the transplant waiting list and subsequently lose eligibility may become eligible for and select one of two eligibility options. Extended eligibility is authorized only for SMI Integrated members who have met all of the following conditions:

1. The individual has been determined ineligible due to excess income,
2. The individual was on the transplant waitlist before AHCCCS eligibility expired, and
3. The individual entered into a contractual arrangement with the transplant facility to pay the amount of income, which is in excess of the eligibility income standards (referred to as transplant share of cost).

Option 1: Extended eligibility is for one twelve-month continuous period of time. During that time, the SMI Integrated member is eligible for all AHCCCS covered services, including transplant, as long as they continue to remain on the transplant waiting list. All medically necessary covered services provided to Option 1 SMI Integrated members, unrelated to the transplant, shall be eligible for reimbursement, with no deductible, at 100% of the Contractor's paid amount based on adjudicated encounters. If determined medically ineligible for a transplant at any time during the period, eligibility will terminate at the end of the calendar month in which the determination is made.

Option 2: The SMI Integrated member loses AHCCCS eligibility but remains on the transplant waitlist. Extended eligibility covers transplant services only. At the time that the transplant is scheduled to be performed, the transplant candidate will reapply and will be re-enrolled with her/her previous Contractor to receive all covered transplant services.

Reinsurance coverage for State Only Option 1 and Option 2 SMI Integrated members for transplants received at an AHCCCS contracted facility is paid at the lesser of 1) 100% of the AHCCCS contract amount for the transplantation services rendered, less the transplant share of cost; or 2) 100% of the Contractor paid amount, less the transplant share of cost, refer to the AHCCCS Reinsurance Manual. For transplants received at a facility not contracted with AHCCCS, payment is made at the lesser of 100% of the lowest AHCCCS contracted amount for the transplant services rendered less the transplant share of cost, or 100% of the Contractor paid

amount, less the transplant share of cost. All Option 1 and Option 2 transplants are subject to the terms regarding out of State transplants set forth above and in the AHCCCS Reinsurance Policy Manual. The AHCCCS contracted transplant rates may be found on the AHCCCS website. When a SMI Integrated member is referred to a transplant facility for an AHCCCS-covered organ transplant, the Contractor shall notify AHCCCS as specified in the AMPM Policy 310-DD Attachment A.

Disputed Matters: For encounters which are the subject of a SMI Integrated member appeal, provider claim dispute, grievance, or other legal action, including an informal resolution originating from a request for a formal claim dispute or SMI Integrated member appeal, the Contractor has the greater of: 1) 90 days from the date of the final decision in that proceeding/action or 2) 15 months from the end date of service/date of eligibility posting to file the reinsurance encounter AND for the reinsurance encounters to reach adjudicated/approved status. Therefore, reinsurance encounters for disputed matters will be considered timely if the both the Notice of Decision letter is received and the encounters reach adjudicated/approved status no later than 90 days from the date of the final decision in that proceeding/action even though the 15 month deadline may have expired. Failure to submit the Notice of Decision letter and the encounters within the applicable timeframes specified above will result in the denial of reinsurance.

Reinsurance Audits: AHCCCS may perform medical audits on reinsurance cases. Terms of the audit process will be disclosed prior to implementation of the audits providing the Contractor with appropriate advance notice.

54. COORDINATION OF BENEFITS AND THIRD PARTY LIABILITY

AHCCCS is the payor of last resort unless specifically prohibited by applicable State or Federal law. This means AHCCCS shall be used as a source of payment for covered services only after all other sources of payment have been exhausted. The Contractor shall take reasonable measures to identify potentially legally liable third party sources.

If the Contractor discovers the probable existence of a liable third party that is not known to AHCCCS, or identifies any change in coverage, the Contractor must report the information within 10 days of discovery, as specified in Section F, Attachment F3, Contractor Chart of Deliverables. Failure to report these cases may result in one of the remedies specified in Section D, Paragraph 68, Administrative Actions. AHCCCS will provide the Contractor with a file of all other coverage information, for the purpose of updating the Contractor's files, as specified in the AHCCCS Technical Interface Guidelines (TIG).

The Contractor shall coordinate benefits in accordance with [42 CFR 433.135 et seq.], A.R.S. §36-2903, and A.A.C. Title 9, Chapter 28, Article 9, so that costs for services otherwise payable by the Contractor are cost avoided or recovered from a liable third party [42 CFR 434.6(a)(9)]. The term "State" shall be interpreted to mean AHCCCS for purposes of complying with the Federal regulations referenced above. The Contractor may require subcontractors to be responsible for coordination of benefits for services provided pursuant to this Contract. The two methods used for coordination of benefits are cost avoidance and post-payment recovery. The Contractor shall use these methods as specified in A.A.C. Title 9, Chapter 28, Article 9, Federal and State law,

and ACOM Policy 434. For Contractor cost sharing responsibilities for members covered by both Medicare and Medicaid see ACOM Policy 201 [42 CFR 433 Subpart D, 42 CFR 447.20].

Cost Avoidance: The Contractor shall take reasonable measures to determine all legally liable parties. This refers to any individual, entity or program that is or may be liable to pay all or part of the expenditures for covered services. The Contractor shall cost avoid a claim if it has established the probable existence of a liable party at the time the claim is filed. For purposes of cost avoidance, establishing liability takes place when the Contractor receives confirmation that another party is, by statute, contract, or agreement, legally responsible for the payment of a claim for a healthcare item or service delivered to a member. If the probable existence of a party's liability cannot be established, the Contractor must adjudicate the claim. The Contractor must then utilize post-payment recovery which is described in further detail below. If ADHS/AHCCCS determines that the Contractor is not actively engaged in cost avoidance activities, the Contractor shall be subject to Administrative Action.

If a third party insurer other than Medicare requires the member to pay any copayment, coinsurance or deductible, the Contractor is responsible for making these payments in accordance with ACOM Policy 434.

Claims for inpatient stay for labor, delivery and postpartum care, including professional fees when there is no global OB package, must be cost avoided [42 CFR 433.139].

Medicare Fee-for-Service Crossover Claims Payment Coordination: AHCCCS delegates to Contractors coordination of benefits payment activities with legally liable third parties, including Medicare. For dual eligible members, the Contractor shall coordinate Medicare Fee-For-Service (FFS) crossover claims payment activities with the Medicare Benefits Coordination and Recovery Center (BCRC) in accordance with [42 CFR 438.3(t)].

The Contractor shall be registered with the BCRC as an AHCCCS trading partner to electronically process Medicare FFS crossover claims. An Attachment to the existing AHCCCS Medicare FFS Coordination of Benefits Agreement (COBA) shall be executed by Contractors and AHCCCS to register with the BCRC as a trading partner. Upon completion of the registration process, the BCRC shall issue each Contractor a unique COB ID number upon completion of BCRC readiness review activities.

Upon receipt of its BCRC COB ID number, the Contractor shall coordinate with BCRC regarding the electronic exchange and transmission of necessary BCRC-provided data files and file layouts, including eligibility and claim data files to coordinate payment of Medicare FFS crossover claims only.

Further information and resources for Contractors regarding the Medicare FFS cross-over claims process and BCRC requirements are available on the BCRC webpage: www.cms.gov/Medicare/Coordination-of-Benefits-and-Recovery/Coordination-of-Benefits-and-Recovery-Overview/Overview.html

Timely Filing: The Contractor shall not deny a claim for timeliness if the untimely claim submission results from a provider's efforts to determine the extent of liability.

Members Covered by both Medicare and Medicaid (Duals): See Section D, Paragraph 56, Medicare Services and Cost Sharing.

Pay and Chase: The Contractor shall pay the full amount of the claim according to the AHCCCS Capped-Fee-For-Service Schedule or the contracted rate and then seek reimbursement from any third party if the claim is for the following:

1. Preventive pediatric services, including Early and Periodic Screening Diagnosis and Treatment (EPSDT) and administration of vaccines to children under the Vaccines for Children (VFC) program, or
2. Services covered by third party liability that are derived from an absent parent whose obligation to pay support is being enforced by the Division of Child Support Enforcement.

Third Party Liability Reporting Requirements: All Third Party Liability (TPL) reporting requirements are subject to validation through periodic audits and/or operational reviews which may include Contractor submission of an electronic extract of the casualty cases, including open and closed cases. Data elements may include, but are not limited to: the member's first and last name; AHCCCS ID; date of incident; claimed amount; paid/recovered amount; and case status. The AHCCCS TPL Section shall provide the format and reporting schedule for this information to the Contractor.

Other Third Party Liability Recoveries: The Contractor shall identify the existence of potentially liable parties using a variety of methods, including referrals, and data mining through the use of trauma code edits, utilizing the codes provided by AHCCCS. The Contractor shall not pursue recovery in the following circumstances, unless the case has been referred to the Contractor by AHCCCS or AHCCCS' authorized representative:

1. Motor Vehicle Cases,
2. Other Casualty Cases,
3. Tortfeasors,
4. Restitution Recoveries, and
5. Workers' Compensation Cases.

Upon identification of a potentially liable third party for any of the above situations, the Contractor shall, within 10 business days, report the potentially liable third party to AHCCCS' TPL Contractor for determination of a mass tort, total plan case, or joint case, as specified in Section F, Attachment F3, Contractor Chart of Deliverables. Failure to report these cases may result in one of the remedies specified in Section D, Paragraph 68, Administrative Actions. A mass tort case is a case where multiple plaintiffs or a class of plaintiffs have filed a lawsuit against the same tortfeasor(s) to recover damages arising from the same or similar set of circumstances (e.g. class action lawsuits) regardless of whether any reinsurance or Fee-For-Service payments are involved. A total plan case is a case where payments for services rendered to the member are exclusively the responsibility of the Contractor; no reinsurance or Fee-For-Service payments are involved. By contrast, a "joint" case is one where Fee-For-Service payments and/or reinsurance payments are involved. The Contractor shall cooperate with AHCCCS' authorized representative in all collection efforts.

Cost Avoidance/Recovery Report: The Contractor shall submit quarterly reports regarding cost avoidance/recovery activities, as specified in Section F, Attachment F3, Contractor Chart of Deliverables. The report shall be submitted in a format as specified in the AHCCCS Program Integrity Reporting Guide.

Contract Termination: Upon termination of this Contract, the Contractor shall complete the existing third party liability cases or make any necessary arrangements to transfer the cases to AHCCCS' authorized TPL representative.

Title XXI (KidsCare) and Breast and Cervical Cancer Treatment Program: Eligibility for KidsCare and Breast and Cervical Cancer Treatment Program (BCCTP) benefits require that the applicant/member not be enrolled with any other creditable health insurance plan. If the Contractor becomes aware of any such coverage, the Contractor shall notify AHCCCS immediately. AHCCCS will determine if the other insurance meets the creditable coverage definition in A.R.S. §36-2982(G).

Post Payment Recovery Requirements: Post-payment recovery is necessary in cases where the Contractor has not established the probable existence of a liable third party at the time services were rendered or paid for, was unable to cost-avoid, or post-payment recovery is required. In these instances, the Contractor must adjudicate the claim and then utilize post-payment recovery processes which include: Pay and Chase, Retroactive Recoveries Involving Commercial Insurance Payor Sources, and other third party liability recoveries. Refer to ACOM Policy 434 for further guidance.

Retroactive Recoveries: Retroactive Recoveries Involving Commercial Insurance Payor Sources: For a period of two years from the date of service, the Contractor shall engage in retroactive third party recovery efforts for claims paid to determine if there are commercial insurance payor sources that were not known at the time of payment. In the event a commercial insurance payor source is identified, the Contractor must seek recovery from the commercial insurance. The Contractor is prohibited from recouping related payments from providers, requiring providers to take action, or requiring the involvement of providers in any way.

The Contractor has two years from the date of service to recover payments for a particular claim, or to identify claims having a reasonable expectation of recovery. A reasonable expectation of recovery is established when the Contractor has affirmatively identified a commercial insurance payor source and has begun the process of recovering payment. If AHCCCS determines that a Contractor is tagging claims for recovery that do not meet these requirements, AHCCCS may impose sanctions. After two years from the date of service, AHCCCS will direct recovery efforts for any claims not tagged by the Contractor.

After 24 months from the date of service, AHCCCS will direct recovery efforts for retroactive recovery of claims not previously identified by the Contractor as having a reasonable expectation of recovery. Any recoveries obtained by AHCCCS through its recovery efforts will be retained exclusively by AHCCCS and will not be shared with the Contractor.

Refer to ACOM Policy 434 for details regarding encounter adjustments as a result of retroactive recoveries and the processes for identifying claims that have a reasonable expectation of recovery.

Total Plan Case Requirements: In "total plan" cases, the Contractor is responsible for performing all research, investigation, the mandatory filing of initial liens on cases that exceed \$250, lien amendments, lien releases, and payment of other related costs in accordance with A.R.S. §36-2915 and A.R.S. §36-2916. The Contractor shall use the AHCCCS-approved casualty recovery correspondence when filing liens and when corresponding to others in regard to

casualty recovery. The Contractor may retain up to 100% of its recovery collections if all of the following conditions exist:

1. Total collections received do not exceed the total amount of the Contractor's financial liability for the member,
2. There are no payments made by AHCCCS related to Fee-For-Service, reinsurance or administrative costs (e.g. lien filing), and
3. Such recovery is not prohibited by State or Federal law.

Prior to negotiating a settlement on a total plan case, the Contractor shall notify AHCCCS or AHCCCS' authorized TPL Contractor to ensure that there is no reinsurance or Fee-For-Service payment that has been made by AHCCCS. Failure to report these cases prior to negotiating a settlement amount may result in one of the remedies specified in Section D, Paragraph 68, Administrative Actions.

The Contractor shall report settlement information to AHCCCS, utilizing the AHCCCS-approved casualty recovery Settlement Notification Form, within 10 business days from the settlement date or in an AHCCCS-approved monthly file, as specified in Section F, Attachment F3, Contractor Chart of Deliverables. Failure to report these cases may result in one of the remedies specified in Section D, Paragraph 68, Administrative Actions. The Contractor shall submit all deliverables related to Total Plan Case Requirements as specified in Section F, Attachment F3, Contractor Chart of Deliverables

Joint and Mass Tort Cases: AHCCCS' authorized representative is responsible for performing all research, investigation and payment of lien-related costs, subsequent to the referral of any and all relevant case information to AHCCCS' authorized representative by the Contractor. In joint and mass tort cases, AHCCCS' authorized representative is also responsible for negotiating and acting in the best interest of all parties to obtain a reasonable settlement and may compromise a settlement in order to maximize overall reimbursement, net of legal and other costs. The Contractor is responsible for responding to requests from AHCCCS or AHCCCS' TPL contractor to provide a list of claims related to the joint or mass tort case within 10 business days of the request. The Contractor will be responsible for their prorated share of the contingency fee. The Contractor's share of the contingency fee will be deducted from the settlement proceeds prior to AHCCCS remitting the settlement to the Contractor.

55. COPAYMENTS

The Contractor is required to comply with A.A.C. R9-22-711, ACOM Policy 431 and other directives by AHCCCS. Those populations exempt from copayments or subject to non-mandatory (also known as nominal or optional) copayments may not be denied services due to the inability to pay the copayment [42 CFR 438.108]. However, for those populations subject to mandatory copayments services may be denied for the inability to pay the copayment.

56. MEDICARE SERVICES AND COST SHARING

Medicare Services: Dual eligible members shall have choice of all providers in the Contractor's network. The Contractor shall coordinate Medicare services based on a dual eligible member's coverage choices through either Original Medicare, a Medicare Advantage Plan, or a State-

contracted Medicare Advantage Dual Eligible Special Needs Plan with prescription drug coverage (a Medicare Advantage Part C D-SNP that covers Medicare Parts A, B, and D services).

Certain Medicare covered Part B preventive services are available to dual eligible members at little or no out of pocket cost. Refer to www.medicare.gov for further information.

Medicare Cost Sharing: The Contractor must pay Medicare coinsurance and/or deductibles for covered services provided to dual eligible members within the Contractor's network. However, there are different cost sharing responsibilities that apply to dual eligible members based on a variety of factors. The Contractor must limit their cost sharing responsibility according to A.A.C. R9-29-301 and A.A.C. R9-29-302 and as further specified in ACOM Policy 201. Refer to Section D, Paragraph 9, Scope of Services, *Prescription Medications*, regarding coverage of Medicare Part D medications.

In Original Medicare, a dual eligible member may access Medicare services from any provider participating in Medicare. Dual eligible members who choose to obtain Medicare-covered services from a "non-participating" Medicare provider may be required to pay for the entire charge at the time of service, which may be greater than the Medicare-approved amount. Dual eligible members are to be encouraged to obtain Medicare covered services from participating Medicare providers that accept "assignment," the Medicare-approved amount as payment in full for Medicare covered services.

For a dual eligible member enrolled in a Medicare Advantage Plan or a State-contracted Medicare Advantage D-SNP for Medicare covered services, the dual eligible member must follow the Medicare Advantage Plan or D-SNP's rules as approved by CMS, including but not limited to those governing use of the plan's provider network in obtaining covered services.

When a dual eligible member is in a medical institution and that stay is funded by Medicaid for a full calendar month, the dual eligible member is not required to pay copayments for their Medicare covered prescription medications for the remainder of the calendar year. To ensure appropriate information is communicated for these members to CMS, the Contractor must, notify AHCCCS pursuant to ACOM Policy 201 and as specified in Section F, Attachment F3, Contractor Chart of Deliverables.

When a dual eligible member is in a medical institution and that stay is funded by Medicaid for a full calendar month, the dual eligible member is not required to pay copayments for their Medicare covered prescription medications for the remainder of the calendar year. To ensure appropriate information is communicated for these members to CMS, the Contractor must, notify AHCCCS pursuant to ACOM Policy 201 and as specified in Section F, Attachment F3, Contractor Chart of Deliverables.

57. MARKETING

The Contractor shall not conduct any marketing activities for the purpose of increasing membership.

58. CORPORATE COMPLIANCE

Corporate Compliance Program: The requirements of 42 CFR 457.1285 and 42 CFR 438.608 are imposed on the Contractor and the Contractor shall ensure compliance with those provisions. The Contractor must have a Corporate Compliance Program that is designed to guard against fraud, waste, and abuse and is supported by other administrative procedures including a Corporate Compliance Plan.

The Contractor shall appoint a Corporate Compliance Officer in accordance with Section D, Paragraph 15, Staffing Requirements. The Contractor's written Corporate Compliance Plan must adhere to Contract and ACOM Policy 103, and must be submitted to AHCCCS/OIG as specified in Section F, Attachment F3, Contractor Chart of Deliverables.

The Corporate Compliance Program shall be designed to prevent, detect, and report fraud, waste, or abuse. The Corporate Compliance Program shall include:

1. Written policies, procedures, and standards of conduct that articulates the organization's commitment to and processes for complying with all applicable Federal and State rules, regulations, guidelines, and standards.
2. The Corporate Compliance Officer must be an onsite management official who reports directly to the Contractor's CEO and Board of Directors, if applicable. The Corporate Compliance Officer must be responsible for developing and implementing policies, procedures and practices designed to ensure compliance with the requirements of the Contract.
3. Effective lines of communication between the Corporate Compliance Officer and the Contractor's employees.
4. Enforcement of standards through well-publicized disciplinary guidelines.
5. Establishment and implementation of procedures that include provision for the prompt referral of any potential fraud, waste, or abuse to AHCCCS/OIG.
6. Establishment and implementation of procedures and a system with dedicated staff for routine internal monitoring and auditing of compliance risks, prompt response to compliance issues as they are raised, investigation of potential compliance problems as identified in the course of self-evaluation and audits, correction of such problems promptly and thoroughly to reduce the potential for recurrence, ongoing compliance with requirements under the Contract, and external monitoring and auditing of subcontractors.
7. Submission of an External Audit Plan/Schedule, and Audit Report of all individual provider audits to AHCCCS/OIG as specified in ACOM Policy 103 and Section F, Attachment F3, Contractor Chart of Deliverables.
8. The establishment of a Regulatory Compliance Committee involving the Board of Directors and the Contractor's senior management level charged with overseeing the Contractor's compliance program and its compliance with the requirements of the Contract.
9. Compliance with the requirements of Section 6032 Deficit Reduction Act of 2005 (DRA) [Section 1902(a)(68) of the Social Security Act, 42 CFR 457.1285, 42 CFR 438.608(a)(6)]. As a condition for receiving payments, the Contractor shall establish written policies, and shall ensure adequate training and ongoing education for, all of its employees (including management), members, and of any subcontractors and/or agents of the Contractor regarding the following:
 - a. Detailed information about the Federal False Claims Act,
 - b. The administrative remedies for false claims and statements,

- c. Any State laws relating to civil or criminal liability or penalties for false claims and statements, and
 - d. The whistleblower protections under such laws.
10. Establishment of a system for training and education for the Corporate Compliance Officer, the Contractor's senior management, all staff and new hires on the Federal and State standards and requirements under the Contract, including the items in number 9 above. All training shall be conducted in such a manner that can be verified by AHCCCS.
 11. Notification to AHCCCS/Office of Data Analytics (ODA), as specified in Section F, Attachment F3, Contractor Chart of Deliverables, of any CMS compliance issues related to HIPAA transaction and code set complaints or sanctions.
 12. Reporting to AHCCCS of description of transactions between the Contractor and a party in interest as defined in Section 1318(b) of the Social Security Act, including the following transactions as specified in Section F, Attachment F3, Contractor Chart of Deliverables [Section 1903(m)(4)(B) of the Social Security Act]:
 - a. Any sale or exchange, or leasing of any property between the organization and such a party,
 - b. Any furnishing for consideration of goods, services (including management services), or facilities between the organization and such a party, but not including salaries paid to employees for services provided in the normal course of their employment, and
 - c. Any lending of money or other extension of credit between the organization and such a party.

The State or Secretary may require that information reported regarding an organization which controls, or is controlled by, or is under common control with, another entity be in the form of a consolidated financial statement for the organization and such entity.

The Contractor shall make the information reported available to its members upon reasonable request.

Reporting Alleged Fraud, Waste, or Abuse of the AHCCCS Program: In accordance with A.R.S. §36-2918.01, §36-2932, §36-2905.04 and ACOM Policy 103, the Contractor, its subcontractors and providers are required to notify the AHCCCS/OIG regarding all allegations of fraud, waste or abuse involving the AHCCCS Program. The Contractor shall promptly notify AHCCCS when it receives information about changes in a member's circumstances that may affect the member's eligibility including changes in the member's residence or the death of the member [42 CFR 457.1285, 42 CFR 438.608(a)(3)]. The Contractor shall not conduct any investigation or review of the allegations of fraud, waste, or abuse involving the AHCCCS Program. Notification to AHCCCS/OIG shall be in accordance with ACOM Policy 103 and as specified in Section F, Attachment F3, Contractor Chart of Deliverables. The Contractor shall also report to AHCCCS/OIG, as specified in Section F, Attachment F3, Contractor Chart of Deliverables, any credentialing denials including, but not limited to those which are the result of licensure issues, quality of care concerns, excluded providers, and which are due to alleged fraud, waste or abuse. In accordance with 42 CFR 455.14, AHCCCS/OIG will then conduct a preliminary investigation to determine if there is sufficient basis to warrant a full investigation [42 CFR 455.17 and 42 CFR 455.1(a)(1)].

The Contractor agrees to permit and cooperate with any onsite review. A review by the AHCCCS/OIG may be conducted without notice and for the purpose of ensuring program

compliance. The Contractor also agrees to respond to electronic, telephonic, or written requests for information within the timeframe w by AHCCCS/OIG. The Contractor agrees to provide documents, including original documents, to AHCCCS/OIG upon request and at no cost. The AHCCCS/OIG shall allow a reasonable time for the Contractor to copy the requested documents, not to exceed 30 calendar days from the date of the AHCCCS/OIG request.

Once the Contractor has referred a case of alleged fraud, waste, or abuse to AHCCCS, the Contractor shall take no action to recoup or otherwise offset any suspected overpayments. In the event that AHCCCS/OIG, either through a criminal restitution order, civil monetary penalty or assessment, a global civil settlement or judgment, or any other form of civil action, including recovery of an overpayment, receives a monetary recovery from an entity/individual, the entirety of such monetary recovery belongs exclusively to AHCCCS and the Contractor has no claim to any portion of this recovery. The Contractor hereby assigns to AHCCCS each, every, any and all of its rights to recover overpayments due to fraud, waste or abuse including any and all monetary recoveries in connection with, related to, or otherwise arising out of the overpayment(s).

In the event that the Contractor has recovered an overpayment, the Contractor must notify AHCCCS/OIG as specified in Section F, Attachment F3, Contractor Chart of Deliverables. AHCCCS/OIG will notify the Contractor when the investigation concludes. If it is determined by AHCCCS/OIG to not be a fraud, waste, or abuse case, the Contractor shall adhere to the applicable AHCCCS policy manuals for disposition.

Disclosure Information: The Contractor shall submit all disclosure Information requested in ACOM Policy 103 and its attachments, and as required by federal and state law, including but not limited to the following: Disclosure of Ownership or Control Interest; fiscal agents; business transactions; persons convicted of crimes as specified in regulation, ACOM Policy 103, and in Section F, Attachment F3, Contractor Chart of Deliverables; and creditors [42 CFR 455, Subpart B, 42 CFR 455.436, 42 CFR 457.1285, 42 CFR 438.602(c), 42 CFR 438.604(a)(6), 42 CFR 438.606, 42 CFR 438.608(c)(2), SMDL 08-003 and 09-001, Sections 1124(a)(2)(A) and 1903(m)(2)(A)(viii) of the Social Security Act]. Disclosures shall be made in accordance with ACOM Policy 103, as directed by regulation, and upon request from AHCCCS or CMS [42 CFR 455, Subpart B].

The Contractor shall provide the above-listed disclosure information to AHCCCS at any and all of the following times (Sections 1124(a)(2)(A) and 1903(m)(2)(A)(viii)) of the Social Security Act, 42 CFR 457.1285, 42 CFR 438.608(c)(2), 42 CFR 455.100–103, and 42 CFR 455.104(c)(3)]:

1. Upon the Contractor submitting the Proposal in accordance with the State’s procurement process,
2. Upon the Contractor executing the Contract with the State,
3. Upon renewal or extension of the Contract,
4. 45 days prior to the effective date of commencement of operations for a change in Contractor Organizational Structure. Refer to ACOM Policy 317 for more information,
5. Within 35 days after any change, and
6. Upon request by AHCCCS.

The Contractor shall immediately notify AHCCCS/OIG of any person who has been excluded through these checks as specified in Section F, Attachment F3, Contractor Chart of Deliverables.

Federal Financial Participation (FFP) is not available for any amounts paid to a Contractor that could be excluded from participation in Medicare or Medicaid for any of the following reasons:

1. The Contractor is controlled by a sanctioned individual, under Section 1128(b)(8) of the Social Security Act [42 CFR 438.808(a), 42 CFR 438.808(b)(1), 42 CFR 431.55(h), Section 1903(i)(2) of the Social Security Act, 42 CFR 1001.1901(c), 42 CFR 1002.3(b)(3), SMDL 6/12/08, SMDL 1/16/09].
2. The Contractor has a contractual relationship that provides for the administration, management or provision of medical services, or the establishment of policies, or the provision of operational support for the administration, management or provision of medical services, either directly or indirectly, with an individual convicted of certain crimes as specified in Section 1128(b)(8)(B) of the Social Security Act, [42 CFR 438.808(a), 42 CFR 438.808(b)(2), 42 CFR 431.55(h), Section 1903(i)(2) of the Social Security Act, 42 CFR 1001.1901(c), 42 CFR 1002.3(b)(3), SMDL 6/12/08, SMDL 1/16/09].
3. The Contractor has a contractual relationship that provides for the administration, management or provision of medical services, or the establishment of policies, or the provision of operational support for the administration, management or provision of medical services, either directly or indirectly, with an individual or entity that is, or is affiliated with a person/entity that is, debarred, suspended, or excluded from participating in procurement activities under the Federal Acquisition Regulation (FAR) or from participating in non-procurement activities under regulation issued under Executive Order No. 12549 or under guidelines implementing Executive Order No. 12549 [Section 1932(d)(1) of the Social Security Act, 42 CFR 457.1285, 42 CFR 438.608(c)(1), 42 CFR 438.808(a), 42 CFR 438.808(b)(2), 42 CFR 438.610(a)(1)-(2),(c)(1)-(4), and (d)(2), 42 CFR 431.55(h), Section 1903(i)(2) of the Social Security Act, 42 CFR 1001.1901(c), 42 CFR 1002.3(b)(3), SMDL 6/12/08, SMDL 1/16/09, Executive Order No. 12549].
4. The Contractor has a contractual relationship that provides for the administration, management or provision of medical services, or the establishment of policies, or the provision of operational support for the administration, management or provision of medical services, either directly or indirectly, with an individual excluded from participation in any Federal health care program under Section 1128 or 1128A of the Social Security Act [42 CFR 438.808(a), 42 CFR 438.808(b)(2), 42 CFR 438.610(b), 42 CFR 431.55(h), section 1903(i)(2) of the Act, 42 CFR 1001.1901(c), 42 CFR 1002.3(b)(3), SMDL 6/12/08, SMDL 1/16/09], and
5. The Contractor employs or contracts, directly or indirectly, for the furnishing of health care, utilization review, medical social work, or administrative services, with one of the following:
 - a. Any individual or entity that is, or was affiliated with a person/entity that is, excluded from participation in any Federal health care programs, [42 CFR 438.808, 42 CFR 438.610, Section 1903(i)(2) of the Social Security Act, 42 CFR 1001.1901(c), 42 CFR 1002.3(b)(3), SMDL 6/12/08, SMDL 1/16/09, Executive Order No. 12549], and
 - b. Any entity that would provide those services through an excluded individual or entity excluded from participation in any Federal healthcare program [42 CFR 438.808, 42 CFR 438.610, Section 1903(i)(2) of the Social Security Act, 42 CFR 431.55(h), 42 CFR 1001.1901(c), 42 CFR 1002.3(b)(3), SMDL 6/12/08, and SMDL 1/16/09].

Should AHCCCS learn that the Contractor has a prohibited relationship with an individual or entity that is excluded from participation in any Federal health care program under Section 1128

or 1128A of the Social Security Act, AHCCCS may not renew or extend the existing agreement with the Contractor unless the Secretary provides to the state and to Congress a written statement describing compelling reasons that exist for renewing or extending the agreement despite the prohibited affiliation [Executive Order No. 12549, 42 CFR 457.1285, 42 CFR 438.610].

The Contractor shall require Fiscal Agents and Administrative Services Subcontractors to adhere to the requirements specified above regarding disclosure Information requested in ACOM Policy 103 and its attachments, and as required by federal and state law, including but not limited to the following: Disclosure of Ownership or Control Interest; fiscal agents; business transactions; persons convicted of crimes [42 CFR 455, Subpart B, 42 CFR 455.436, 42 CFR 438.608(c), 42 CFR 455.436, SMDL 09-001, Sections 1124(a)(2)(A) and 1903(m)(2)(A)(viii) of the Social Security Act]. Administrative Services Subcontractors shall disclose to AHCCCS/OIG the identity of any excluded person [42 CFR 438.604(a)(6), 42 CFR 438.606, 42 CFR 455.104, 42 CFR 438.230, 42 CFR 438.608(c)(2)]. Refer to ACOM Policy 103 and its attachments.

The Contractor is prohibited from paying for an item or service (other than an emergency item or service, not including items or services furnished in an emergency room of a hospital) furnished under the plan by any individual or entity during any period when the individual or entity is excluded from participation under title V, XVIII, XIX, XX, or XXI pursuant to Sections 1128, 1128A, 1156, or 1842(j)(2) and (1903(i) and 1903(i)(2)(A)) of the Social Security Act.

The Contractor is prohibited from paying for an item or service (other than an emergency item or service, not including items or services furnished in an emergency room of a hospital) furnished at the medical direction or on the prescription of a physician, during the period when such physician is excluded from participation under title V, XVIII, XIX, XX, or XXI pursuant to Section 1128, 1128A, 1156, or 1842(j)(2) of the Social Security Act and when the person furnishing such item or service knew, or had reason to know, of the exclusion (after a reasonable time period after reasonable notice has been furnished to the person) (Sections 1903(i) and 1903(i)(2)(B)) of the Social Security Act).

The Contractor is prohibited from paying for an item or service (other than an emergency item or service, not including items or services furnished in an emergency room of a hospital) furnished by an individual or entity to whom the State has failed to suspend payments during any period in which the State has notified the Contractor of a pending investigation of a credible allegation of fraud against the individual or entity, unless the State determines there is good cause not to suspend such payments (Section 1903(i) and 1903(i)(2)(C)) of the Social Security Act).

Termination of Provider From Contractor Network of Providers: The Contractor shall ensure, for itself and require of any subcontractor(s), that any provider of services or person terminated from participation in the AHCCCS Medicaid Program, other XIX programs, Title XVII or XXI programs, shall be terminated from participating with Contractor as a provider in any of Contractor's network of providers who render services to individuals eligible to receive medical assistance pursuant to Title XIX.

59. RECORD RETENTION

The Contractor shall maintain records relating to covered services and expenditures including reports to AHCCCS and documentation used in the preparation of reports to AHCCCS. The

Contractor shall comply with all specifications for record keeping established by AHCCCS. All records shall be maintained to the extent and in such detail as required by AHCCCS rules and policies. Records shall include but not be limited to financial statements, records relating to the quality of care, medical records, prescription files and other records specified by AHCCCS.

The Contractor shall make available, at all reasonable times during the term of this Contract, any of its records for inspection, audit, or reproduction by any authorized representative of AHCCCS, State or Federal government. The Contractor shall be responsible for any costs associated with the reproduction of requested information.

The Contractor shall preserve and make available all records for a period of five years from the date of final payment under this Contract unless a longer period of time is required by law. The Contractor shall comply with the record keeping requirements specified in 42 CFR 438.3(u) and retain such records for a period of no less than 10 years.

For retention of patient medical records, the Contractor shall ensure compliance with A.R.S. §12-2297 which provides, in part, that a health care provider shall retain patient medical records according to the following:

1. If the patient is an adult, the provider shall retain the patient medical records for at least six years after the last date the adult patient received medical or health care services from that provider, and
2. If the patient is under 18 years of age, the provider shall retain the patient medical records either for at least three years after the child's eighteenth birthday or for at least six years after the last date the child received medical or health care services from that provider, whichever date occurs later.

In addition, the Contractor shall comply with the record retention periods specified in HIPAA laws and regulations, including, but not limited to [45 CFR 164.530(j)(2)].

If this Contract is completely or partially terminated records shall be retained as specified above.

60. SYSTEMS AND DATA EXCHANGE REQUIREMENTS

AHCCCS supports new and evolving technologies to create efficiencies; improve the quality of care and which lead to better health care outcomes while containing costs. Examples of such technologies, supported, in part, by the Health Information Technology for Economic and Clinical Health Act (HITECH) include the use of health information technology in electronic health records (EHRs), e-prescribing, and a Health Information Exchange (HIE) infrastructure. Expanding technological capability is expected to reduce total spending on health care by diminishing the number of inappropriate tests, duplicate procedures, paperwork and administrative overhead, which will result in fewer adverse events. The use of health information technology for health care service delivery and health care management is critical to the effectiveness in the following areas:

1. Access to care,
2. Care coordination,
3. Prescribing practices, for example, poly-pharmacy,
4. Evidence based care,
5. Medical management programs,

6. EPSDT services,
7. Coordination with community services,
8. Referral management,
9. Discharge planning,
10. Performance measures,
11. Performance improvement projects,
12. Medical record review,
13. Quality of care review processes,
14. Quality improvement,
15. Claims processing,
16. Claims review, and
17. Prior authorization.

Systems Function and Capacity: The Contractor is required to exchange data with AHCCCS relating to the information requirements of this Contract and as required to support the data elements to be provided to AHCCCS. All data exchanged must be in the formats prescribed by AHCCCS, which include those required/covered by the Health Insurance Portability and Accountability Act (HIPAA). Details for the formats may be found in the HIPAA Transaction Companion Guides, Trading Partner Agreements, the AHCCCS Encounter Manual, and in the AHCCCS Technical Interface Guidelines (TIG), available on the AHCCCS website.

The information exchanged with AHCCCS shall be in accordance with all procedures, policies, rules, or statutes in effect during the term of this Contract. If any of these procedures, policies, rules, regulations or statutes are hereinafter changed, both parties agree to conform to these changes following notification by AHCCCS.

Electronic Transactions: The Contractor is required to accept and generate all required HIPAA compliant electronic transactions from or to any provider or their assigned representative interested in and capable of electronic submission of eligibility verifications, claims, claims status verifications or prior authorization requests; or the receipt of electronic remittance. The Contractor must be able to make claims payments via electronic funds transfer and have the capability to accept electronic claims attachments.

Electronic Visit Verification: Pursuant to Section 1903 of the Social Security Act (42 U.S.C. 1396b), AHCCCS is mandated to implement Electronic Visit Verification (EVV) for non-skilled in-home services and home health services. The Contractor is required to monitor member access to care and provider compliance standards as directed by AHCCCS.

Contractor Data Exchange: Before a Contractor may exchange data with AHCCCS, certain agreements, authorizations, and control documents are required, including the completion and submission of the EDI Trading Partner Agreement in order to exchange data with AHCCCS. With the completion of required documents as specified in the AHCCCS Encounter Manual, each Contractor is assigned a Transmission Submitter Number (TSN) for encounter submissions. The Contractor may elect to obtain additional TSNs based upon processing or tracking needs.

Contractor Responsibilities: The Contractor is responsible for any incorrect data, delayed submission or payment (to the Contractor or its subcontractors), and/or penalty applied due to any error, omission, deletion, or incorrect data submitted by the Contractor. Any data that does not meet the standards required by AHCCCS shall not be accepted by AHCCCS.

The Contractor shall be provided with a Contractor-specific security code for use in all data transmissions made in accordance with Contract requirements. Each data transmission by the Contractor shall include the Contractor's security code. The Contractor agrees that by use of its security code, it certifies that any data transmitted is accurate and truthful, to the best of the Contractor's Division Director/CEO, Chief Financial Officer or designee's knowledge [42 CFR 438.606].

The Contractor is required to provide an attestation that any data transmitted is accurate, complete, and truthful, to the best of the Contractor's Chief Executive Officer, Chief Financial Officer or designee's knowledge under penalty of perjury, as specified by AHCCCS in the HIPAA Transaction Companion Guides and Trading Partner Agreements, and as specified in Section F, Attachment F3, Contractor Chart of Deliverables [42 CFR 438.606, 42 CFR 457.1201(o), 42 CFR 457.1201(n)(2)].

The costs of software changes are included in administrative costs paid to the Contractor. There is no separate payment for software changes.

The Contractor is also responsible for identifying any inconsistencies immediately upon receipt of data from AHCCCS. If any unreported inconsistencies are subsequently discovered, the Contractor shall be responsible for the necessary adjustments to correct its records at its own expense.

The Contractor shall develop and maintain claims processes and systems that ensure the accurate collection and processing of claims, analysis, integration, and reporting of data. These processes and systems shall result in information on areas including, but not limited to, service utilization, claim disputes and member grievances and appeals, and disenrollment for reasons other than loss of Medicaid eligibility [42 CFR 457.1233(d), 42 CFR 438.242(a)].

The Contractor shall implement processes to receive, accept, and integrate SMI Determinations for members from an AHCCCS-contracted entity.

Member Data: The Contractor shall accept from AHCCCS original evidence of eligibility and enrollment in the AHCCCS prescribed electronic data exchange formats. Upon request, the Contractor shall provide to AHCCCS PCP assignments in an AHCCCS prescribed electronic data exchange format.

The Contractor shall provide to AHCCCS updated date-sensitive Behavioral Health Category assignments in a form appropriate for electronic data exchange.

Claims Data: This system must be capable of collecting, storing, and producing information for the purposes of financial, medical and operational management.

The Contractor shall develop and maintain a HIPAA compliant claims processing and payment system capable of processing, cost avoiding and paying claims in accordance with A.R.S. §36-2903 and §36-2904 and A.A.C. R9-28-701.10. The system must be adaptable to updates in order to support future AHCCCS claims related policy requirements on a timely basis as needed.

On a recurring basis, monthly based on adjudication date, AHCCCS shall provide the Contractor an electronic file of claims and encounter data for members enrolled with the Contractor who have received services, that adjudicated from Medicare (Part D Plan, D-SNP, and/or FFS when

appropriate) another contractor or through AHCCCS FFS for purposes of member care coordination. Data sharing will comply with Federal privacy regulations.

In addition, the Contractor shall implement and meet the following milestones in order to make claims processing and payment more efficient and timely:

1. Receive 85% of total claims type (e.g. professional, institutional and dental), with a minimum 60% requirement by form type, based on volume of actual claims excluding claims processed by Pharmacy Benefit Managers (PBMs) electronically,
2. Produce and distribute 75% of remittances electronically, and
3. Provide 85% of claims payments via EFT.

AHCCCS intends to increase the percentage requirements over the term of the Contract.

System Changes and Upgrades: The costs of software changes are included in administrative costs paid to the Contractor. There is no separate payment for software changes. A PMMIS systems contact will be assigned to the Contractor after Contract award.

The Contractor shall ensure that changing or making major upgrades to the information systems affecting claims processing, payment or any other major business component, is accompanied by a plan which includes a timeline, milestones, and outlines adequate testing to be completed before implementation. The Contractor shall notify and provide the system change plan to AHCCCS for review and comment as specified in Section F, Attachment F3, Contractor Chart of Deliverables.

Health Insurance Portability and Accountability Act: The Contractor shall comply with the Administrative Simplification requirements of 45 CFR Parts 160 and 162 that are applicable to the operations of the Contractor by the dates required by the implementing Federal regulations as well as all subsequent requirements and regulations as published.

Data Security: The Contractor is required to have a security audit performed by an independent third party on an annual basis. The annual audit report must be submitted to AHCCCS as specified in Section F, Attachment F3, Contractor Chart of Deliverables.

The audit must include, at a minimum, a review of Contractor compliance with all security requirements as specified in the AHCCCS Security Rule Compliance Summary Checklist, as specified in ACOM Policy 108. In addition, the audit must include a review of Contractor policies and procedures to verify that appropriate security requirements have been adequately incorporated into the Contractor's business practices, and the production processing systems.

The audit must result in a findings report and as necessary a corrective action plan, detailing all issues and discrepancies between the security requirements and the Contractor's policies, practices and systems. The corrective action plan must also include timelines for corrective actions related to all issues or discrepancies identified. The annual report must include the findings and corrective action plan and must be submitted to AHCCCS for review and approval as specified in Section F, Attachment F3, Contractor Chart of Deliverables. AHCCCS will verify that the required audit has been completed and the approved remediation plans are in place and being followed.

Claims System Audits: The Contractor shall develop and implement an internal ongoing claims audit function that will include, at a minimum, the following:

1. Verification that provider Contracts are loaded correctly, and
2. Accuracy of payments against provider Contract terms.

Audits of provider Contract terms must be performed on a regular and periodic basis and consist of a random, statistically significant sampling of all Contracts in effect at the time of the audit. The audit sampling methodology must be documented in policy and the Contractor shall review the Contract loading of both large groups and individual practitioners at least once every five year period in addition to any time a Contract change is initiated during that timeframe. The findings of the audits specified above must be documented and any deficiencies noted in the resulting reports must be met with corrective action.

In addition, in the event of a system change or upgrade, as specified in Section F, Attachment F3, Contractor Chart of Deliverables, the Contractor may also be required to initiate an independent audit of the Claim Payment/Health Information System. AHCCCS/DHCM will approve the scope of this audit, and may include areas such as a verification of eligibility and enrollment information loading, Contract information management (contract loading and auditing), claims processing and encounter submission processes, and will require a copy of the final audit findings.

Health Information Exchange: The Contractor is required to contract with Arizona Health Current, a non-profit organization which provides a secure network (“The Network”) for Health Information Exchange (HIE). The Contractor shall sign a participation agreement for The Network. As a participant of The Network, the Contractor shall be identified by The Network as a “data user” and is expected to become a “data supplier” over time, as required by AHCCCS.

To further the integration of technology based solutions and the promotion of interoperability of electronic health records within the system of care, AHCCCS will increase opportunities for providers and Contractors to utilize technological functions for processes that are necessary to meet Medicaid requirements. Expanding the adoption and use of health information technology may reduce total spending on health care by diminishing the number of inappropriate tests and procedures, reducing paperwork and administrative overhead, and decreasing the number of adverse events resulting from medical errors. The Contractor will collect data from providers in standardized formats to the extent feasible and is expected to actively participate in offering information and providing provider support and education to further expand provider adoption and use of health information technology. It is AHCCCS' expectation that the Contractor review operational processes to reduce provider hassle factors by implementing technological solutions for those providers utilizing electronic health records and to incentivize providers to implement and meaningfully use health information technology as a standard of doing business with the AHCCCS program. AHCCCS also anticipates establishing minimum standards, goals, and requirements related to operational areas where improved efficiencies or effectiveness could be achieved. AHCCCS anticipates accelerating statewide Health Information Exchange (HIE) participation for all Medicaid providers and Contractors by:

1. Requiring that behavioral health and physical health providers use The Network for secure sharing of clinical information between physical and behavioral health providers,

2. Administering an HIE onboarding program for high volume Medicaid hospitals, Federally Qualified Health Centers, Rural Health Clinics, Look-a-Like clinics and other eligible groups of Medicaid providers,
3. Supporting the acceleration of electronic prescribing by Arizona Medicaid providers,
4. Joining the State level HIE for governance, policy making, and information technology service offerings,
5. Supporting increased Contractor use of the Network (State HIE) to improve health outcomes, and
6. Identifying value-based purchasing opportunities that link with a provider's adoption and use of Health Information Technology (HIT).

The Contractor shall encourage providers that are participating in the Medicaid EHRS Incentive Program (i.e. eligible hospitals and eligible professionals) to continue to move through the Promoting Interoperability continuum, accelerate the participation of other provider types in their network, and participate in planning activities that will result in improved care coordination and health care delivery for members.

The Contractor is expected to collaborate with AHCCCS and Health Current to target efforts to specific areas where HIT and HIE can bring significant change and progress including efforts focused on:

1. Coordinating the secure sharing of clinical health information between providers,
2. Identifying additional partnerships for integrated care among other health care delivery participants,
3. Identifying and implementing strategies for high need/high cost members,
4. Coordination of care for members who are enrolled in the American Indian Health Program (AIHP),
5. Coordination of care for members who are transitioning between AHCCCS and Qualified Health Plans,
6. Coordination of care for AHCCCS eligible and enrolled members involved in transitioning in or out of the Justice system,
7. Care coordination,
8. Pharmacy management,
9. Quality improvement activities and reporting as identified by the Contractor or AHCCCS, and
10. Other activities as identified by AHCCCS and that are allowed under the Permitted Use Policy of the Qualifying HIE Organization.

To support HIE recruitment activities, AHCCCS and Arizona Health Current worked together to create a list of High Volume providers for each Contractor as a tool that supports targeted recruitment of providers. This report was run March 31, 2020. As an alternative to establishing another contract deliverable report, Arizona Health Current proposes an annual health plan goal (10% improvement) with a focus on High/Med High providers joining the HIE. Each Contractor's goal would be the focus of collaboration meetings between key plan staff and Arizona Health Current, with specific strategies, outreach materials and meetings with plan providers to support their recruitment efforts.

Contractor performance to the 10% goal is measured by number of High/Med High/Medium Volume providers (with a focus on High/Medium High) who execute a Arizona Health Current Participation Agreement for the 12-month period ending March 31, 2021. Arizona Health

Current will monitor progress of enrolling higher volume providers on each Contractor's list and submit a monthly progress report to AHCCCS.

The Contractor is responsible for achieving a 10% increase in the number of higher volume providers participating in the HIE, with a significant focus on recruiting the High/Medium High groups as identified in AHCCCS' High Volume Office Visit Report. The baseline is established as of the March 30, 2020 High Volume Office Visit Report. Arizona Health Current will monitor progress of enrolling higher volume providers on each Contractor's list and submit a monthly progress report to AHCCCS to determine if the Contractor achieved its recruitment goal.

Interoperability for Payers: The Contractor shall implement requirements applicable to payers in the CMS "Interoperability and Patient Access for Medicare Advantage Organization and Medicaid Managed Care Plans, State Medicaid Agencies, CHIP Agencies and CHIP Managed Care Entities, Issuers of Qualified Health Plans on the Federally-facilitated Exchanges, and Health Care Providers" final rule (CMS-9115-F) as published in the Federal Register on May 1, 2020 (85 FR 25510). The Contractor shall implement: Section III-Patient Access Application Programming Interface (API) (effective January 1, 2021, with enforcement date of July 1, 2021), Section IV-Provider Directory API (effective January 1, 2021, with enforcement date of July 1, 2021), and Section V-Payer to Payer Data Exchanges (effective January 1, 2022).

The Contractor shall implement these interoperability requirements in accordance with the applicable specifications of the Office of the National Coordinator's (ONC's) "21st Century Cures Act: Interoperability, Information Blocking, and the ONC Health IT Certification Program" companion final rule as published in the Federal Register on May 1, 2020 (85 FR 25642), effective June 30, 2020.

61. ENCOUNTER DATA REPORTING

Complete, accurate, and timely reporting of encounter data is crucial to the success of the AHCCCS program. AHCCCS uses encounter data to set Fee-For-Service and capitation rates, determine reconciliation amounts, determine disproportionate share payments to hospitals, and to determine compliance with performance standards. Furthermore, increased emphasis on encounter data is highlighted in the Medicaid Managed Care Regulations published on May 6, 2016. The Contractor shall submit encounter data to AHCCCS for all services for which the Contractor incurred a financial liability and claims for services eligible for processing by the Contractor where no financial liability was incurred including services provided during prior period coverage [42 CFR 457.1233(d), 42 CFR 457.1285, 42 CFR 438.242(c)(1)-(4), 42 CFR 438.604(a)(1)-(4), 42 CFR 438.606, 42 CFR 438.8, 42 CFR 438.818]. This requirement is a condition of the CMS grant award, [42 CFR 438.242(b)(1), 42 CFR 455.1 (a)(2)].

New Contractors must successfully exchange encounter data for all applicable form types with AHCCCS no later than 120 days after the start of the Contract or be subject to possible corrective actions.

Encounter Submissions: Encounters must be submitted in the format prescribed by AHCCCS. Encounter data must be provided to AHCCCS as specified in the HIPAA Transaction Companion Guides, Trading Partner Agreements, the AHCCCS Technical Interface Guidelines (TIG) and the AHCCCS Encounter Manual, including, but not limited to, inclusion of data to identify the

physician who delivers services to patients per Section 1903(m)(2)(A)(xi) of the Social Security Act.

Professional, Institutional, and Dental Encounters not involving services eligible for Federal Drug Rebate processing shall be received by AHCCCS no later than 210 days after the end of the month in which the service was rendered, or the effective date of the enrollment with the Contractor, whichever date is later. Failure to submit encounters within 210 days may result in sanctions as specified in the AHCCCS Encounter Manual.

Covered outpatient drugs dispensed to individuals eligible for medical assistance who are enrolled with the Contractor shall be subject to the same rebate requirements as the State is subject under Section 1927 of the Social Security Act; the State shall collect such rebates from manufacturers (Section 1903(m)(2)(A)(xiii)) of the Social Security Act and SMDL 10-006). To ensure AHCCCS compliance with this requirement, pharmacy related encounter data and other encounters involving services eligible for Federal Drug Rebate processing must be provided to AHCCCS no later than 30 days after the end of the quarter in which the pharmaceutical item was dispensed. The Contractor must report information on the total number of units of each dosage form and strength and package size by National Drug Code of each covered outpatient drug dispensed (other than covered outpatient drugs that under subsection (j)(1) of Section 1927 of the Social Security Act [42 USC§§ 1396r-8] are not subject to the requirements of that Section) and such other data as required by AHCCCS (Section 1903(m)(2)(A)(xiii) of the Social Security Act and SMDL 10-006).

The Contractor's health plan paid amount per pharmacy encounter that is submitted to AHCCCS shall be equal to the adjudicated and approved reimbursement amount between the PBM and the PBM's network pharmacy or in an emergent situation, a reimbursement made to a non-network pharmacy. A network pharmacy includes hospital outpatient, retail, compounding, specialty, long-term care pharmacies, or any other pharmacy type included in the PBM's Pharmacy Network.

The Contractor shall prepare, review, verify, certify, and submit, encounters for consideration to AHCCCS. Upon submission, the Contractor must provide attestation that the services listed were actually rendered. The Contractor shall be subject to sanctions for noncompliance with encounter submission completeness, accuracy, and timeliness requirements.

Encounter Reporting: The Contractor must produce reports for the purposes of tracking, trending, reporting process improvement, and monitoring submissions and revisions of encounters. The Contractor shall submit these reports to AHCCCS as required per the AHCCCS Encounter Manual, TIG or as directed by AHCCCS and as further specified in Section F, Attachment F3, Contractor Chart of Deliverables.

On a monthly basis, AHCCCS will produce encounter reconciliation files containing the prior 30 months of approved, voided, plan-denied, pended and AHCCCS-denied encounters received and processed by AHCCCS. These files must be utilized to compare the encounter financial data reported with plan claims data, and to compare submitted encounters to processed claims to validate completeness of encounter submissions.

Encounter Supporting Data Files: AHCCCS provides the Contractor with periodic (no less than twice monthly) full replacement files containing provider and medical coding information as

stored in PMMIS. These files shall be used by the Contractor in conjunction with the Contractor's data to ensure accurate Encounter Reporting. Refer to the AHCCCS Encounter Manual or TIG for further information regarding the content and layouts of these files.

Encounter Corrections: The Contractor is required to monitor and resolve pended encounters and encounters denied by AHCCCS and as specified in Section F, Attachment F3, Contractor Chart of Deliverables.

The Contractor is further required to submit replacement or voided encounters in the event that claims are subsequently corrected following the initial encounter submission. This includes corrections as a result of inaccuracies identified by fraud and abuse audits or investigations conducted by AHCCCS or the Contractor. The Contractor must void encounters for claims that are recouped in full. For recoupments that result in a reduced claim value or adjustments that result in an increased claim value, replacement encounters must be submitted. Refer to the AHCCCS Encounter Manual for instructions regarding the submission of corrected, replaced or voided encounters.

Encounter Performance Standards: AHCCCS has established encounter performance standards as detailed in the AHCCCS Encounter Manual. All encounters including approved, pended, denied and voided encounters, impact completeness, accuracy and timeliness rates. Rates below the established standards (pended encounters that have pended for more than 120 days for example), or poor encounter performance overall, may result in Corrective Action Plans and/or sanctions.

Encounter Validation Studies: Per CMS requirements, AHCCCS will conduct encounter validation studies of the Contractor's encounter submissions. These studies may result in sanctions of the Contractor and/or require a corrective action plan for noncompliance with related encounter submission requirements.

The purpose of encounter validation studies is to compare recorded utilization information from a medical record or other source with the Contractor's submitted encounter data. Any and all covered services may be validated as part of these studies. The criteria used in encounter validation studies may include timeliness, correctness, and omission of encounters. Refer to the AHCCCS Encounter Data Validation Technical Document for further information.

AHCCCS may revise study methodology, timelines, and sanction amounts based on agency review or as a result of consultations with CMS. The Contractor will be notified in writing of any significant change in study methodology.

62. ENROLLMENT AND CAPITATION TRANSACTION UPDATES

AHCCCS produces daily enrollment transaction updates identifying new members and changes to existing members' demographic, eligibility and enrollment data as specified in the HIPAA Transaction Companion Guides, Trading Partner Agreements, and the AHCCCS Technical Interface Guidelines, (TIG) available on the AHCCCS website. These files shall be utilized by the Contractor to update its member records on a timely and consistent basis. The daily enrollment transaction update, that is run immediately prior to the monthly enrollment and capitation transaction, is referred to as the "last daily" and will contain all rate code changes made for the prospective month, as well as any new enrollments and disenrollments as of the first of the prospective month.

AHCCCS also produces a daily Manual Payment Transaction as specified in the TIG, available on the AHCCCS website, which identifies enrollment or disenrollment activity that was not included on the daily enrollment transaction update due to internal edits. The Contractor shall use the Manual Payment Transaction in addition to the daily enrollment transaction update to update its member records.

A daily capitation transaction as specified in the HIPAA Transaction Companion Guides, and Trading Partner Agreements, will be produced to provide the Contractor with member-level capitation payment information. This file will show changes to the prospective capitation payments, as sent in the monthly file, resulting from enrollment changes that occur after the monthly file is produced. This file will also identify mass adjustments to and/or manual capitation payments that occurred at AHCCCS after the monthly file is produced.

On a daily and monthly basis AHCCCS provides the Contractor with the Rate Code Summary electronic file as specified in the TIG, available on the AHCCCS website, which summarizes the capitation activity for the processing cycle.

The enrollment and capitation transaction updates distributed monthly are generally produced two days before the end of every month. The update will identify the total active population for the Contractor as of the first day of the next month. These updates contain the information used by AHCCCS to produce the monthly capitation payment for the next month. The Contractor must reconcile the member files (including the member's Medicare status, TPL information, etc.) with the AHCCCS monthly update. After reconciling the monthly update information, the Contractor will work to resolve any discrepancies and record the results of the reconciliation. Results of the reconciliation will be made available to AHCCCS upon request. After completion of the reconciliation the Contractor will resume posting daily updates beginning with the last two days of the month. The last two daily updates are different from the regular daily updates in that they pay and/or recoup capitation for the next month. If the Contractor detects an error through the monthly update process, the Contractor shall notify AHCCCS/ISD.

63. PERIODIC REPORTING REQUIREMENTS

Under the terms and conditions of its CMS grant award, AHCCCS requires periodic reports, encounter data and other information from the Contractor. The submission of late, inaccurate, or otherwise incomplete reports shall constitute failure to report subject to the penalty provisions specified in Section D, Paragraph 68, Administrative Actions.

Standards applied for determining adequacy of required reports are as follows [42 CFR 438.242(b)(2)]:

1. *Timeliness*: Reports or other required data shall be received on or before scheduled due dates.
2. *Accuracy*: Reports or other required data shall be prepared in strict conformity with appropriate authoritative sources and/or AHCCCS defined standards.
3. *Completeness*: All required information shall be fully disclosed in a manner that is both responsive and relevant to the report's purpose with no material omissions.

The Contractor shall comply with all reporting requirements contained in this Contract. The Contractor shall submit any other data, documentation, or information relating to the performance of the entity's obligations as required by the State or Secretary [42 CFR 457.1285, 42 CFR 438.604(b), and 42 CFR 438.606]. AHCCCS requirements regarding reports, including but not limited to, report content, report frequency, and report submission, are subject to change at any time during the term of the Contract. The Contractor shall comply with all changes specified by AHCCCS, including those pertaining to subcontractor reporting requirements. The Contractor shall be responsible for continued reporting beyond the term of the Contract.

64. REQUESTS FOR INFORMATION

AHCCCS may, at any time during the term of this Contract, request financial, clinical or other information from the Contractor. Responses shall fully disclose all financial, clinical, or other information requested. Information may be designated as confidential but may not be withheld from AHCCCS as proprietary. Information designated as confidential may not be disclosed by AHCCCS without the prior written consent of the Contractor except as required by law. Upon receipt of such requests for information from AHCCCS, the Contractor shall provide complete information to AHCCCS as requested no later than 10 business days after the receipt of the request unless otherwise specified in the request itself.

If the Contractor believes the requested information is confidential and may not be disclosed to third parties, the Contractor shall provide a detailed legal analysis to AHCCCS, within the timeframe designated by AHCCCS, setting forth the specific reasons why the information is confidential and describing the specific harm or injury that would result from disclosure. In the event that AHCCCS withholds information from a third party as a result of the Contractor's statement, the Contractor shall be responsible for all costs associated with the nondisclosure, including but not limited to legal fees and costs.

65. DISSEMINATION OF INFORMATION

Upon request, the Contractor shall disseminate information prepared by AHCCCS or the Federal government to its members and subcontractors. All costs shall be the responsibility of the Contractor.

66. READINESS REVIEWS

The purpose of a Readiness Review is to assess a Contractor's readiness and ability to provide covered services to members in accordance with this Contract. A Readiness Review is conducted at the discretion of AHCCCS to review programmatic operations of the Contractor. Programmatic operations subject to readiness reviews include but are not limited to: Service delivery changes, IT system modifications, and change of Contractor. The Contractor must satisfy AHCCCS' requirements on all Readiness Review elements in order to continue operating under this Contract [42 CFR 438.66(d)(3)].

67. MONITORING AND OPERATIONAL REVIEWS

The Contractor shall comply with all reporting requirements contained in this Contract and AHCCCS Policy. In accordance with CMS requirements, AHCCCS has in effect procedures for

monitoring the Contractors' operations and performance to ensure program compliance and identify best practices, including, but not limited to, evaluation of submitted deliverables, ad hoc reporting, and periodic focused and Operational Reviews (ORs) [42 CFR 438.66(a)].

These monitoring procedures will include, but are not limited to, operations related to the following [42 CFR 438.66(c)(1) – (12)]:

1. Member enrollment and disenrollment,
2. Processing member grievances and appeals,
3. Processing Provider Claim Disputes and Appeals,
4. Findings from the State's External Quality Review process,
5. Results of member satisfaction surveys conducted by the Contractor,
6. Performance on required quality measures,
7. Medical management committee reports and minutes,
8. Annual quality improvement plan,
9. Audited financial and encounter data,
10. Medical loss ratio summary reports,
11. Customer service performance data,
12. Any other data related to the provision of LTSS,
13. Violations subject to intermediate sanctions, as set for in Subpart I of [42 CFR 438],
14. Violations of the conditions for receiving Federal financial participation, as set forth in Subpart J of [42 CFR 438], and
15. All other provisions of the Contract, as appropriate.

Operational Reviews: In accordance with CMS requirements [42 CFR 434.6(a)(5)], and A.A.C. Title 9, Chapter 22 Article 5, AHCCCS, or an independent agent, will conduct periodic ORs of the Contractor to ensure program compliance and identify best practices [42 CFR 438.204]. The reviews will identify and make recommendations for areas of improvement, monitor the Contractor's progress towards implementing mandated programs or operational enhancements, and provide the Contractor with technical assistance when necessary. The type and duration of the review will be solely at the discretion of AHCCCS. Except in cases where advance notice is not possible or advance notice may render the review less useful, AHCCCS will give the Contractor at least three weeks advance notice of the date of the scheduled OR. AHCCCS reserves the right to conduct reviews without notice to monitor Contractual requirements and performance as needed.

AHCCCS may request, at the expense of the Contractor, to conduct on-site reviews of functions performed at out of State locations and will coordinate travel arrangements and accommodations with the Contractor.

In preparation for the reviews, the Contractor shall cooperate with AHCCCS by forwarding in advance policies, procedures, job descriptions, contracts, records, logs, and other material upon request. Documents not requested in advance shall be made available during the course of the review. Contractor personnel shall be available at all times during review activities. The Contractor shall provide an appropriate private workspace and internet access.

The Contractor will be furnished a copy of the draft OR Report and will be given an opportunity to comment on any OR findings prior to AHCCCS issuing the final OR Report. AHCCCS reserves

the right to publish information related to the results of any OR. The Contractor must develop corrective action plans based on recommendations provided in the final OR Report. The corrective action plans and modifications to the corrective action plans must be approved by AHCCCS. Unannounced follow-up reviews may be conducted at any time after the initial OR to determine the Contractor's progress in implementing recommendations and achieving compliance.

The Contractor shall not distribute or otherwise make available the OR Tool, draft OR Report or final OR Report to other Contractors.

For Operational Reviews the Contractor shall:

1. Perform monitoring and regulatory action as determined by AHCCCS if the Contractor does not achieve the desired outcomes or maintain compliance with the Contractual requirements,
2. Comply with all other medical audit provisions as required by AHCCCS,
3. Accept AHCCCS technical assistance, when offered,
4. Cooperate with an Administrative review, other than the Operational Reviews, when directed by AHCCCS, if the Contractor undergoes a Change in Contractor Organizational Structure, in accordance with ACOM Policy 317,
5. Pay for any additional costs incurred by AHCCCS associated with on-site audits or other oversight activities that result when required administrative or managed care functions are located outside of the State,
6. Review and comment on a copy of the draft of the findings that is provided prior to AHCCCS issuing the final OR report,
7. Implement all recommendations, made by the Review Team to bring the Contractor into compliance with Federal, State, and/or Contract requirements,
8. Submit all modifications to the corrective action plan for approval in advance to AHCCCS,
9. Comply and work collaboratively with unannounced follow-up reviews that may be conducted at any time to determine the Contractor's progress in implementing recommendations and achieving compliance, and
10. Be on notice that review findings may be used in the scoring of subsequent bid Proposals submitted by the Contractor.

The Contractor shall submit deliverables related to the Operational Reviews as specified in Section F, Attachment F3, Contractor Chart of Deliverables.

68. ADMINISTRATIVE ACTIONS

Sanctions: In accordance with applicable Federal and State regulations, A.A.C. R9-22-606, ACOM Policy 408, ACOM Policy 440, Section 1932 of the Social Security Act or any implementing regulation, and the terms of this Contract. AHCCCS may impose sanctions for failure to comply with any provision of this Contract, including but not limited to: temporary management of the Contractor, monetary penalties, suspension of enrollment, withholding of payments, granting members the right to terminate enrollment without cause, suspension of new enrollments, suspension of payment for new enrollments, refusal to renew, or termination of the Contract, or any related subcontracts [42 CFR 457.1201(m), 42 CFR 457.1212, 42 CFR 422.208, 42 CFR 438.56(c)(2)(iv), 42 CFR 438.700, 702, 704, 406, 722, 45 CFR 92.36(i)(1), 42 CFR 438.726(b), 42 CFR 438.730(e)(1)(i)-(ii), 45 CFR 74.48. 42 CFR Part 455, 42 CFR Part 457, 42 CFR Part 438, Sections

1903 and 1932 of the Social Security Act]. See Terms and Conditions Paragraph 45, Section on *Temporary Management/Operation of a Contractor* and Paragraphs 47 through 51 regarding Termination of the Contract.

Written notice will be provided to the Contractor specifying the sanction to be imposed, the grounds for such sanction and either the length of suspension or the amount of capitation to be withheld. The Contractor may dispute the decision to impose a sanction in accordance with the process specified in A.A.C. R9-34-401 et seq.

Notice to Cure: AHCCCS may provide a written Notice to Cure to the Contractor outlining the details of the non-compliance and the timeframe to remedy the Contractor's performance. If, at the end of the specified time period, the Contractor has complied with the Notice to Cure requirements, AHCCCS may choose not to impose a sanction.

Technical Assistance: For Technical Assistance the Contractor shall note the following Technical Assistance Provisions:

1. AHCCCS' technical assistance to help the Contractor achieve compliance with any relevant Contract terms or Contract subject matter issues does not relieve the Contractor of its obligation to fully comply with all terms in this Contract.
2. The Contractor's acceptance of AHCCCS' offer or provision of technical assistance shall not be utilized as a defense or a mitigating factor in a Contract enforcement action in which compliance with Contract requirements is at issue.
3. AHCCCS not providing technical assistance to the Contractor as it relates to compliance with a Contract requirement or any and all other terms, shall not be utilized as a defense or a mitigating factor in a contract enforcement action in which compliance with Contract requirements is at issue, and
4. The Contractor's subcontractor participation in a technical assistance matter, in full or in part, does not relieve the Contractor of its contractual duties nor modify the Contractor's contractual obligations.

69. CONTINUITY OF OPERATIONS AND RECOVERY PLAN

The Contractor shall develop a Continuity of Operations and Recovery Plan as detailed in ACOM Policy 104, to manage unexpected events and the threat of such occurrences, that which may negatively and significantly impact business operations and the ability to deliver services to members. All staff shall be trained on, and familiar with, the Plan. This Plan shall, at a minimum, include planning and training for:

1. Electronic/telephonic failure,
2. Complete loss of use of the main site and any satellite offices in and out of State,
3. Loss of primary computer system/records,
4. Extreme weather conditions,
5. Communication between the Contractor and AHCCCS in the event of a business disruption, and
6. Periodic testing (at least annually).

The Continuity of Operations and Recovery Plan shall be updated annually. The Contractor shall submit a summary of its Continuity of Operations and Recovery Plan to AHCCCS as specified in Section F, Attachment F3, Contractor Chart of Deliverables.

Emergency Preparedness: Upon AHCCCS' request, the Contractor shall participate in health emergency response planning, preparation, and deployment in the event of a Presidential, State, or locally-declared disaster and be prepared for the following actions to participate in the development of a comprehensive disaster response plan, including, at a minimum, specific measures and plans for assessing the needs of individuals, first responders and their families, victims, survivors, family members, and other community caregivers following an emergency or disaster considering short and long term stress management techniques.

The Contractor shall collaborate with local hospitals, emergency rooms, fire, and police to provide emergency health supports for first responders, and coordinate with other RBHAs and health care organizations to assist in the event of a disaster.

The Contractor shall have Emergency Preparedness staff with adequate training to fulfill the above requirements as specified in Section D, Paragraph 15, Staffing Requirements.

70. MEDICARE REQUIREMENTS

Medicaid members also enrolled in Medicare are referred to as dual eligible members. To improve care coordination for dual eligible members, the State requires the Contractor or its affiliated organization (Contractor) to provide Medicare benefits to dual eligible members through a CMS and State-contracted Medicare Advantage Dual Eligible Special Needs Plan (D-SNP) for all counties in the Contractor's contracted Geographic Service Area(s) (GSAs). To match the population served, the D-SNP Type must be a D-SNP subset that matches this Contract.

The Contractor's D-SNP shall provide care coordination as well as information and data reporting as required by AHCCCS, and as detailed in its executed *Medicare Advantage D SNP Health Plan Agreement* with AHCCCS, which outlines requirements that aim to improve care coordination and timely information sharing for enrolled dual eligible members consistent with 42 CFR 422.107, the Medicare Improvements for Patients and Providers Act of 2008 (MIPPA), and the Affordable Care Act. State-Contracted D-SNP MIPPA Agreements are available on the AHCCCS website.

Care Coordination for Dual Eligible SMI Members: In an effort to improve care coordination for dual eligible (Medicaid and Medicare enrolled) members with Serious Mental Illness (SMI), the Contractor shall offer a Dual Eligible Special Needs Plan (D-SNP) to integrate Medicare covered service, including Part D prescription drugs.

If the member enrolls with the Contractor's D-SNP, it shall be the sole organization that manages the provision of Medicare benefits to SMI dual eligible members enrolled with the Contractor.

Refer to ACOM Policy 107 for Contractors that currently have contracts, or will be pursuing contracts, with the CMS to operate as a Medicare Advantage Dual Eligible Special Needs Plan (D-SNP).

The Contractor shall provide choice of providers to dual eligible members in the network and shall not be restricted to those that accept Medicare. The Contractor shall use all data, including Medicare A, B, and D data, in developing and implementing care coordination models. See Section D, Paragraph 23, Medical Management for care coordination requirements

Medicare Structure: The Contractor must ensure the integration of Medicare and Medicaid services. As required by A.R.S. §36-2906.01, the Contractor shall establish an affiliated corporation whose only authorized business is to provide services under this Contract to AHCCCS eligible persons enrolled with the Contractor. This affiliated corporation shall be established within 120 days of contract award. In addition, the Contractor shall operate a CMS and State-contracted D-SNP serving beneficiaries eligible for both Medicare and Medicaid. The Contractor must have, and assure AHCCCS it has, the legal and actual authority to direct, manage, and control the operations of both the corporation established under this Contract and the Medicare product to the extent necessary to ensure integration of AHCCCS and Medicare services for persons enrolled with the Contractor for both programs. The State-contracted D-SNP shall be an affiliated organization of or a part of the same legal entity of the Contractor as defined at 42 CFR 422.2(4)(ii) for a highly integrated dual eligible special needs plan (HIDE) serving RBHA enrolled dual eligible members.

Medicare Branding: The Contractor shall establish and implement appropriate CMS-approved branding for offered Medicare D-SNP product(s) that is readily identifiable by members and providers as an integrated plan for both Medicare and Medicaid covered services.

Medicaid Eligibility: D-SNPs are responsible for coordinating care on behalf of enrolled full benefit dual eligible members who are defined as:

1. Qualified Medicare Beneficiary with full AHCCCS medical assistance benefits (QMB Plus),
2. Specified Low Income Medicare Beneficiary with full AHCCCS medical assistance benefits (SLMB Plus), or
3. Other Full Benefit Dual Eligible Beneficiary (Other FBDE), to include Freedom to Work waiver members.

Medicare State Certification: Medicare Advantage plans are required to be licensed under State law. As specified in A.R.S 36-2903(B)(2) AHCCCS has the authority to certify its Contractors for Medicare purposes. The Contractor may apply for its companion Medicare Advantage D-SNP certification through AHCCCS, or apply and obtain such licensure through the Arizona Department of Insurance. The AHCCCS certification process is detailed in ACOM Policy 106.

State Contracting with D-SNPs: AHCCCS shall not contract with any D-SNP to serve the Contractor's dual eligible population outside of awarded contracts. Contractors who fail to maintain a D-SNP for all counties in awarded GSAs will be subject to sanctions. Detailed D-SNP responsibilities are specified in Medicare Advantage D SNP Health Plan Agreement available on the AHCCCS website.

Member Transition: The Contractor is required to participate in all activities as directed by AHCCCS which pertain to member transitions as a result of (not inclusive): a termination of a D-SNP contract with CMS, an AHCCCS contract termination or Geographic Service Area change

arising from a procurement or other program administration activity, or such contract termination initiated by the D-SNP. Within five (5) calendar days of identification, the Contractor shall notify AHCCCS in the case of significant changes to the terms of its contract with CMS to protect beneficiary and State interests including, but not limited to: D-SNP contract non-renewals, service area changes and reductions, proposed member transitions to another D-SNP product offered in the same CMS contract by the State-contracted MIPPA Medicare Advantage Organization, terminations, deficiencies, notices of intent to deny, and novation agreements.

Default Enrollment Activities to Enhance Alignment: State-contracted D-SNPs not previously approved by CMS for Default Enrollment activities shall submit to CMS an initial application to perform such activities, subject to the requirements of 42 CFR 422.66 and applicable CMS regulatory guidance. CMS approval of an initial application to perform default enrollment activities shall be obtained from CMS.

D-SNPs currently authorized by CMS to perform default enrollment activities shall renew such authorizations in accordance with the requirements and timeframes of 42 CFR 422.66 and applicable CMS regulatory guidance.

D-SNP shall coordinate default enrollment of newly Medicare eligible individuals who are currently enrolled only in its companion Medicaid Plan. Default enrollment procedures are detailed by CMS in 42 CFR 422.66 and *Medicare Managed Care Manual*, Chapter 2, Section 40.1.4 to include individuals who are aging-in to Medicare, as well as those qualifying for Medicare upon the completion of the 24 month waiting period due to a disability. D-SNP shall report default enrollment statistics to AHCCCS, as specified in its State-contracted Medicare Advantage D SNP Health Plan Agreement.

Other Activities to Enhance Alignment: AHCCCS will continue to establish requirements to improve alignment and enhance care coordination for dual eligible members. State-contracted D-SNPs shall collaborate with AHCCCS, and CMS as applicable, in developing and implementing additional strategies that enhance alignment of dual eligible members enrolled in D-SNPs and companion Medicaid Plan.

71. PENDING ISSUES

The following constitute pending items that may be resolved after the issuance of this Contract or any Contract amendment. Any program changes due to the resolution of the issues will be reflected in future amendments to the Contract.

Capitation rates may also be adjusted to reflect the financial impact of program changes. The items in this paragraph are subject to change and should not be considered all-inclusive.

AHCCCS and its Contractors are subject to legislative mandates, directives, regulatory changes, executive and court orders related to any term in this Contract that may result in changes to the program. AHCCCS will either amend the Contract or incorporate changes in policies incorporated in the Contract by reference.

CMDP Integration of Behavioral Health Services: Pursuant to Laws 2019, 1st Regular Session, Chapter 305, effective April 1, 2021, it is anticipated that behavioral health services for children

in DCS custody will transition from the RBHA Contractors to CMDP. This will ensure integrated service delivery of physical and behavioral health services for CMDP members under a single Contractor, Contractors will be responsible for ensuring a smooth transition for members. AHCCCS will communicate associated Contractor requirements and readiness standards in AHCCCS Guidance at a later time.

Coronavirus Disease of 2019 Information: AHCCCS is responding to an outbreak of respiratory illness, called Coronavirus Disease of 2019 (COVID-19), caused by a novel (new) coronavirus. On March 11, Governor Doug Ducey issued a Declaration of Emergency and an Executive Order regarding the COVID-19 outbreak in Arizona, and subsequent Executive Orders with further administrative actions. On March 17, 2020 and March 24, 2020, AHCCCS submitted requests to the Centers for Medicare and Medicaid Services (CMS) to waive certain Medicaid and KidsCare requirements in order to ensure ongoing access to care over the course of the COVID-19 outbreak. As of March 23, AHCCCS has received federal approval to implement programmatic changes to help ensure access to health care for vulnerable Arizonans. To address Medicaid-related questions from providers and contractors about COVID-19, AHCCCS has developed a list of Frequently Asked Questions Regarding Coronavirus Disease 2019 (COVID-19), updated regularly as more information becomes available. As a result of flexibilities and changes made in response to the COVID-19 emergency, information presented in some FAQs will not align with various provisions set forth in the AHCCCS Medical Policy Manual (AMPM), the AHCCCS Contractor Operation Manual (ACOM) Policies; the AHCCCS billing requirements; and/or other AHCCCS directives. In these instances the FAQs take precedence and are controlling. The Contractor may refer to the COVID-19 FAQs at the following link:

<https://azahcccs.gov/AHCCCS/AboutUs/covid19FAQ.html>

Section 1115 Demonstration Waiver: As part of the Agency's initiatives to improve and modernize the Medicaid program, AHCCCS continues to work with CMS on various pending waiver requests. Waiver approvals may necessitate changes to the terms of this Contract which will be executed through a Contract amendment, if necessary. Refer to the AHCCCS website for pending Waiver proposals and amendments.

Social Determinants of Health: AHCCCS' Whole Personal Care Initiative is the next system innovation following integration to continue to enhance the service delivery system to focus on the impact social factors can have on a person's health and well-being. Contractors are expected to expand existing efforts with the provider network to screen for social risk factors of members, incorporate ICD-10 social determinant diagnosis codes on claims, properly refer members to community-based resources to address the social needs, and document the completion of the referral and services provided.

72. VALUE-BASED PURCHASING

Value-Based Purchasing (VBP) is a cornerstone of AHCCCS' strategy to bend the upward trajectory of health care costs. AHCCCS is implementing initiatives to leverage the managed care model toward value-based health care systems where members' experience and population health are improved, per-capita health care cost is limited to the rate of general inflation through aligned incentives with managed care organization and provider partners, and there is a commitment to continuous quality improvement and learning. The Contractor shall participate in Value-Based Purchasing (VBP) efforts.

Alternative Payment Model Initiatives: The purpose of the Alternative Payment Model (APM) initiative (further specified in Section D, Paragraph 50, Compensation) is to encourage Contractor activity in the area of quality improvement by aligning the incentives of the Contractor and provider through APM strategies in the Health Care Payment Learning and Action Network (LAN) APM Framework with a focus on Categories 3 and 4. Requirements are further specified in ACOM Policy 307 and as specified in Section F, Attachment F3, Contractor Chart of Deliverables.

Value-Based Providers: The Contractor shall develop strategies that ensure that members are directed to providers who participate in VBP initiatives and who offer value as determined by measureable outcomes. The Contractor shall submit to AHCCCS/DHCM a Value-Based Providers/Centers of Excellence report describing its strategies to direct members to valued providers. See below for report details. The report shall include the Provider Network Development and Management Plan as required under ACOM Policy 415, and submitted as specified in Section F, Attachment F3, Contractor Chart of Deliverables.

Centers of Excellence: Centers of Excellence are facilities and/or programs that are recognized as providing the highest levels of leadership, quality, and service. Centers of Excellence align physicians and other providers to achieve higher value through greater focus on appropriateness of care, clinical excellence, and patient satisfaction. Identification of a Center of Excellence shall be based on criteria such as procedure volumes, clinical outcomes, and treatment planning and coordination. Identification of appropriate conditions and/or procedures most suitable to a relationship with a Center of Excellence shall be based on analysis of the Contractor's data which demonstrates a high degree of variance in cost and/or outcomes. To encourage Contractor activity which incentivizes utilization of the best value providers for select, evidenced based, high volume procedures or conditions, the Contractor shall submit a Value Based Providers/Centers of Excellence attachment to its Provider Network Development and Management Plan as required under ACOM Policy 415, and submitted to AHCCCS/DHCM, as specified in Section F, Attachment F3, Contractor Chart of Deliverables.

Adult System of Care: The Contractor shall contract with Centers of Excellence which implement evidence based practices and track outcomes for adult members with chronic pain with or without co-occurring opioid use disorder that address behavioral and physical healthcare needs.

Children's System of Care: The Contractor shall contract with Centers of Excellence which implement evidence based practices and track outcomes for the following children with special healthcare needs:

1. Children aged birth to five with behavioral health needs: Staffed with specialists who are endorsed by the Infant Toddler Mental Health Coalition of Arizona (ITMHCA) or other Endorsement program recognized under the Alliance for the Advancement of Infant Mental Health (formerly the League of States using the Michigan Association for Infant Mental Health Endorsement®),
2. Children at risk of/with Autism Spectrum Disorder (ASD),
3. Adolescents with substance use disorders, e.g.
 - a. Adolescent Community Reinforcement Approach (A-CRA),
 - b. Assertive Community Care (ACC),
 - c. Global Appraisal of Individual Needs (GAIN), and
4. Transition Aged Youth:

- a. First episode psychosis programs, and
- b. Transition to Independence (TIP) Model.

To encourage Contractor activity which incentivizes utilization of the best value providers for select, evidenced based, high volume procedures or conditions, the Contractor shall submit a Value Based Providers/Centers of Excellence report incorporating the ongoing implementation of contracts with Centers of Excellence. The Contractor shall identify the Centers of Excellence under contract for the contract year being reported and shall include a description as to how these Centers were selected. See below for report details. The report shall be included in its Provider Network Development and Management Plan as required under ACOM Policy 415, and submitted to AHCCCS/DHCM, as specified in Section F, Attachment F3, Contractor Chart of Deliverables.

Value Based Providers/Centers of Excellence Attachment: The Value-Based Providers/Centers of Excellence Attachment shall outline the Contractor's process to develop, maintain, and monitor activities for both high value providers and Centers of Excellence. The Attachment shall be limited to no more than two pages and include at a minimum:

1. Description of the Contractor's initiatives to encourage member utilization,
2. The extent the Contractor's activities focus on social determinants of health interventions,
3. Goals and outcome measures for the Contract Year,
4. Description of monitoring activities to occur throughout the year,
5. Evaluation of the effectiveness of the previous year's initiatives ,
6. Summary of lessons learned and any implemented changes,
7. Description of the most significant barriers,
8. Plans to encourage providers determined to offer high value but not participating in APM initiatives, if any, to participate in Alternative Payment Model APM contracts, and
9. Plan for next Contract Year.

E-Prescribing: E-Prescribing is an effective tool to improve members' health outcomes and reduce costs as specified in ACOM Policy 321. Benefits afforded by the electronic transmission of prescription-related information include, but are not limited to: reduced medication errors, reductions of drug and allergy interactions and therapeutic duplication, and increased prescription accuracy. The Contractor shall increase its E-Prescribing rate of original prescriptions in accordance with ACOM Policy 321.

The NCPDP Prescription Origin Code and Fill Number (Original or Refill Dispensing) must be submitted on all pharmacy encounter records, as specified in the AHCCCS NCPDP Post Adjudicated History Transaction Companion Guide, in order for AHCCCS to measure the Contractor's success.

73. LEGISLATIVE , LEGAL, AND REGULATORY ISSUES

The Contractor shall comply with Legislative changes, directives, regulatory changes, or court orders related to any term in this Contract. The Contractor shall comply with requirements as directed by AHCCCS contained in Arnold v. Sarn, Maricopa County Superior Court, No. C-432355, comply with requirements as directed by AHCCCS contained in JK v. Humble, United States District Court, District of Arizona, No. CIV 91-261 TUC JMR, The Contractor shall comply with program changes based on Federal or State requirements that are unknown, pending or that

may be enacted after Contract Award Date. Any program changes due to new or changing Federal or State requirements will be reflected in future Contract amendments.

The Contractor shall agree to an adjustment of capitation rates prior to Contract Performance Start Date or at any time during the Contract term for trend updates, impact cause by health care reform, Medicare Integration, and program and other changes that affect expected service delivery or administrative costs.

The Contractor shall recognize that AHCCCS will be in compliance with Federal and State transparency initiatives. AHCCCS may publicly report or make available any data, reports, analysis or outcomes related to Contractor activities, operations and/or performance. Public reporting may include, but is not limited to, the following components:

1. Use of evidence based guidelines,
2. Identification and publication of top performing Contractors,
3. Identification and publication of top performing providers,
4. Program pay for performance payouts,
5. Mandated publication of guidelines,
6. Mandated publication of outcomes,
7. Identification of Centers of Excellence for specific conditions, procedures or member populations, and
8. Establishment of Return on Investment goals.

The following, which is not an all-inclusive list, are examples of issues that could result in program changes, for the Contractor's required compliance: Compliance with the applicable sections of the Patient Protection and Affordable Care Act (PPACA) including, but not limited to, the Health Insurance Providers Fee and provisions as adopted by AHCCCS in the Arizona State Plan.

The Contractor shall:

1. Meet other requirements as stipulated including increased provider reimbursement up to Medicare levels for select primary care services.
2. Participate in care coordination data sharing as prescribed by AHCCCS between Medicaid Managed Care Organizations and Exchange Qualified Health Plans for those members that transition between Medicaid and Exchange health care coverage.
3. Comply with the Center for Medicare and Medicaid policies, directives and guidelines.

The Contractor shall comply with Legislative changes:

1. To the State's budget,
2. That affect covered services,
3. That modify, alter or create obligations that affect programs, policies, or requirements in this Contract, and
4. That establishes a Health Insurance Exchange as required by the Affordable Care Act and any resulting modifications to Medicaid eligibility as contemplated under the ACA that may impact the benefit package and service delivery structure for members.

The Contractor shall comply with Executive Orders, regulatory changes affecting licensing, privileging, certification and credentialing. The Contractor shall comply with CMS' approval or

denial of any request by AHCCCS for a Section 1115 Demonstration Waiver amendment, the State Plan amendment or permission to participate in a demonstration project. This includes the waiver of member choice of acute health plan that was submitted to CMS by AHCCCS in 2014, which would provide the State with the flexibility to require one Contractor(s) to provide integrated health care services to SMI members. The Contractor shall comply with Court orders in existing or future litigation in which the State is a defendant and participate in any demonstration projects or activities to plan, promote and implement integrated health care service delivery and care coordination for dual eligible members.

The Contractor shall comply with requirements as specified by AHCCCS contained in Arnold v. Sarn, Maricopa County Superior Court, No. C-432355; with requirements as directed by AHCCCS contained in JK v. Humble, United States District Court, District of Arizona, No. CIV 91-261 TUC JMR; and all applicable Contracts, Intergovernmental Agreements (IGAs), and Inter-Service agreements (ISA) as specified by AHCCCS.

[END OF SECTION D: PROGRAM REQUIREMENTS]

SECTION E: CONTRACT TERMS AND CONDITIONS**1. ADVERTISING AND PROMOTION OF CONTRACT**

The Contractor shall not advertise or publish information for commercial benefit concerning this Contract without the prior written approval of the Contracting Officer.

2. APPLICABLE LAW

Arizona Law - The law of Arizona applies to this Contract including, where applicable, the Uniform Commercial Code, as adopted in the State of Arizona.

Implied Contract Terms - Each provision of law and any terms required by law to be in this Contract are a part of this Contract as if fully stated in it.

3. ARBITRATION

The parties to this Contract agree to resolve all disputes arising out of or relating to this Contract through arbitration, after exhausting applicable administrative review, to the extent required by A.R.S. §12-1518 except as may be required by other applicable statutes.

4. ASSIGNMENT AND DELEGATION

The Contractor shall not assign any rights nor delegate all of the duties under this Contract, without the prior written consent of AHCCCS. Delegation of less than all of the duties of this Contract must conform to the requirements of Section D, Paragraph 36, Subcontracts.

5. ASSIGNMENT OF CONTRACT AND BANKRUPTCY

This Contract is voidable and subject to immediate cancellation by AHCCCS upon the Contractor becoming insolvent or filing proceedings in bankruptcy or reorganization under the United States Code, or assigning rights or obligations under this Contract without the prior written consent of AHCCCS.

6. AUDIT AND INSPECTION

The Contractor shall comply with all provisions specified in applicable A.R.S. §35-214 and §35-215 and AHCCCS rules and policies and procedures relating to the audit of the Contractor's records and the inspection of the Contractor's facilities. The Contractor shall fully cooperate with AHCCCS staff and allow them reasonable access to the Contractor's staff, subcontractors, members, and records [42 CFR 457.1201(g), 42 CFR 438.3(h)].

The Contractor's or any subcontractor's books and records shall be subject to audit at any time by AHCCCS and, where applicable, the Federal government, to the extent that the books and records relate to the performance of the Contract or subcontracts [42 CFR 457.1201(g), 42 CFR 438.3(h), Section 1903(m)(2)(A)(iv) of the Social Security Act].

AHCCCS, or its duly authorized agents, and the Federal government may evaluate through on-site inspection or other means, the quality, appropriateness, and timeliness of services performed under this Contract.

The right to audit under this section exists during the term of this Contract and for 10 years from the termination of this Contract or the date of completion of any audit, whichever is later [42 CFR 457.1201(g), 42 CFR 438.3(h)].

7. AUTHORITY

This Contract is issued under the authority of the Contracting Officer who signed this Contract. Changes to the Contract, including the addition of work or materials, the revision of payment terms, or the substitution of work or materials, directed by an unauthorized State employee or made unilaterally by the Contractor are violations of the Contract and of applicable law. Such changes, including unauthorized written Contract amendments, shall be void and without effect, and the Contractor shall not be entitled to any claim under this Contract based on those changes.

8. CHANGES

AHCCCS may at any time, by written notice to the Contractor, make changes within the general scope of this Contract. If any such change causes an increase or decrease in the cost of, or the time required for, performance of any part of the work under this Contract, the Contractor may request an adjustment in compensation paid under this Contract. The Contractor must request an adjustment within 30 days from the date of receipt of the change notice.

Contract amendments are subject to approval by the Centers for Medicare and Medicaid Services (CMS), and approval is withheld until all amendments are signed by the Contractor. When AHCCCS issues an Amendment to modify the Contract, the Contractor shall ensure Contract amendments are signed and submitted to AHCCCS by the date specified by AHCCCS. The provisions of such amendment will be deemed to have been accepted on the day following the date AHCCCS requires an executed amendment, even if the amendment has not been signed by the Contractor, unless within that time the Contractor notifies AHCCCS in writing that it refuses to sign the amendment. If the Contractor provides such notification, AHCCCS will initiate termination proceedings.

9. CHOICE OF FORUM

The parties agree that jurisdiction over any action arising out of or relating to this Contract shall be brought or filed in a court of competent jurisdiction located in the State of Arizona.

10. COMPLIANCE WITH APPLICABLE LAWS, RULES AND REGULATIONS

The Contractor shall comply with all applicable Federal and State laws and regulations including Title VI of the Civil Rights Act of 1964; Title IX of the Education Amendments of 1972 (regarding education programs and activities); the Age Discrimination Act of 1975; the Rehabilitation Act of 1973 (regarding education programs and activities), and the Americans with Disabilities Act of 1990 as amended; Section 1557 of the Patient Protection and Affordable Care Act; EEO provisions; Copeland Anti-Kickback Act; Davis-Bacon Act; Contract Work Hours and Safety Standards; Rights to Inventions Made Under a Contract or Agreement; Clean Air Act and Federal Water Pollution Control Act; Byrd Anti-Lobbying Amendment [42 CFR 457.1201(f), 42 CFR 457.1220, 42 CFR 438.3(f)(1), 42 CFR 438.100(d)]. The Contractor shall maintain all applicable licenses and permits.

In accordance with [42 CFR 438.3(d)(3), 42 CFR 438.3(d)(4)], A.R.S. §41-1461 et seq., and Executive Order 2009-09, the Contractor will not discriminate against individuals eligible to enroll on the basis of health status or need for healthcare services, race, color, national origin, sex, sexual orientation, gender identity or disability and the Contractor will not use any policy or practice that has the effect of discriminating on any of these bases.

The Contractor accepts individuals eligible for enrollment in the order in which they apply without restriction (except as otherwise specified by CMS), up to the limits set under the Contract [42 CFR 457.1201(d), 42 CFR 438.3(d)(1)].

11. CONFIDENTIALITY AND DISCLOSURE OF CONFIDENTIAL INFORMATION

The Contractor shall safeguard information in accordance with Federal and State statutes and regulations, including but not limited to: the Health Insurance Portability and Accountability Act of 1996 (Public Law 104-191), 45 CFR Parts 160 and 164, 42 CFR Part 431, Subpart F, 42 CFR Part 2, 42 CFR Part 457, 42 CFR Part 438, A.R.S. §36-664, A.R.S. §36-2903, A.R.S. §36-2932, A.R.S. §41-1959, A.R.S. §46-135, and any rules implanting those State statutes (e.g. A.A.C. R9-22-503, A.A.C. R9-22-512 and A.A.C. R9-28-514).

The Contractor shall establish and maintain procedures and controls that are acceptable to AHCCCS for the purpose of assuring that no information contained in its records or obtained from AHCCCS or others carrying out its functions under the Contract shall be used or disclosed by its agents, officers, or employees, except as required to efficiently perform duties under the Contract. Except as required or permitted by law, the Contractor also agrees that any information pertaining to individual persons shall not be divulged other than to employees or officers of the Contractor as needed for the performance of duties under the Contract, unless otherwise agreed to, in writing, by AHCCCS.

The Contractor shall not, without prior written approval from AHCCCS, either during or after the performance of the services required by this Contract, use, other than for such performance, or disclose to any person other than AHCCCS personnel with a need to know, any information, data, material, or exhibits created, developed, produced, or otherwise obtained during the course of the work required by this Contract. This nondisclosure requirement shall also pertain to any information contained in reports, documents, or other records furnished to the Contractor by AHCCCS.

12. CONFLICT OF INTEREST

The Contractor shall not undertake any work that represents a potential conflict of interest, or which is not in the best interest of AHCCCS or the State without prior written approval by AHCCCS. The Contractor shall fully and completely disclose any situation that may present a conflict of interest. If the Contractor is now performing or elects to perform during the term of this Contract any services for any AHCCCS health plan, provider or Contractor or an entity owning or controlling same, the Contractor shall disclose this relationship prior to accepting any assignment involving such party.

13. CONTINUATION OF PERFORMANCE THROUGH TERMINATION

The Contractor shall continue to perform, in accordance with the requirements of the Contract, up to the date of termination and as directed in the termination notice.

14. CONTRACT

The Contract between AHCCCS and the Contractor shall include: 1) the Request for Proposal (RFP) including AHCCCS policies and procedures incorporated by reference as part of the RFP, 2) the Proposal submitted by the Contractor in response to the RFP including any Best and Final Offers, and 3) any Contract amendments. In the event of a conflict in language between the Proposal (including any Best and Final Offers) and the RFP (including AHCCCS policies and procedures incorporated by reference), the provisions and requirements set forth and/or referenced in the RFP (including AHCCCS policies and procedures incorporated by reference) shall govern.

The Contract shall be construed according to the laws of the State of Arizona. The State of Arizona is not obligated for the expenditures under the Contract until funds have been encumbered.

15. CONTRACT INTERPRETATION AND AMENDMENT

No Parole Evidence - This Contract is intended by the parties as a final and complete expression of their agreement. No course of prior dealings between the parties and no usage of the trade shall supplement or explain any term used in this Contract.

No Waiver - Either party's failure to insist on strict performance of any term or condition of the Contract shall not be deemed a waiver of that term or condition even if the party accepting or acquiescing in the non-conforming performance knows of the nature of the performance and fails to object to it.

Written Contract Amendments - The Contract shall be modified only through a written Contract amendment within the scope of the Contract signed by the Contracting Officer on behalf of the State and signed by a duly authorized representative of the Contractor.

Administrative Changes - The Contracting Officer, or authorized designee, reserves the right to correct any obvious clerical, typographical or grammatical errors, as well as errors in party contact information (collectively, "Administrative Changes"), prior to or after the final execution of an Amendment. Administrative Changes subject to permissible corrections include: misspellings, grammar errors, incorrect addresses, incorrect Amendment numbers, pagination and citation errors, mistakes in the labeling of the rate as either extended or unit, and calendar date errors that are illogical due to typographical error. The Procurement Office shall subsequently notice the Contractor of corrections to administrative errors in a written confirmation letter with a copy of the corrected Administrative Change attached.

16. COOPERATION WITH OTHER CONTRACTORS

AHCCCS may award other contracts for additional work related to this Contract and Contractor shall fully cooperate with such other Contractors and AHCCCS employees or designated agents. The Contractor shall not commit or permit any act which will interfere with the performance of work by any other Contractor or by AHCCCS employees.

17. COVENANT AGAINST CONTINGENT FEES

The Contractor warrants that no person or agency has been employed or retained to solicit or secure this Contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee. For violation of this warranty, AHCCCS shall have the right to annul this Contract without liability.

18. DATA CERTIFICATION

The Contractor shall certify that financial and encounter data submitted to AHCCCS is complete, accurate and truthful [42 CFR 457.1285, 42 CFR 438.604, 42 CFR 438.606(b)]. Certification of financial and encounter data must be submitted concurrently with the data [42 CFR 457.1285, 42 CFR 438.606(c), 42 CFR 438.604(a)-(b)]. Certification may be provided by the Contractor CEO, CFO or an individual who is delegated authority to sign for, and who reports directly to the CEO or CFO [42 CFR 457.1285, 42 CFR 438.606(a), 42 CFR 438.604(a)-(b)].

19. DISPUTES

Contract claims and disputes shall be adjudicated in accordance with State Law, AHCCCS Rules, and this Contract.

Except as provided by 9 A.A.C. Chapter 22, Article 6, the exclusive manner for the Contractor to assert any dispute against AHCCCS shall be in accordance with the process specified in 9 A.A.C. Chapter 34 and A.R.S. §36-2932. All disputes except as provided under 9 A.A.C. Chapter 22, Article 6 shall be filed in writing and be received by AHCCCS no later than 60 days from the date of the disputed notice. All disputes shall state the factual and legal basis for the dispute. Pending the final resolution of any disputes involving this Contract, the Contractor shall proceed with performance of this Contract in accordance with AHCCCS' instructions, unless AHCCCS specifically, in writing, requests termination or a temporary suspension of performance.

20. E-VERIFY REQUIREMENTS

In accordance with A.R.S §41-4401, the Contractor warrants compliance with all Federal immigration laws and regulations relating to employees and warrants its compliance with Section A.R.S. §23-214, Subsection A.

21. EFFECTIVE DATE

The effective date of this Contract shall be the date referenced on page 1 of this Contract or any subsequent amendments.

22. ELIGIBILITY FOR STATE OR LOCAL PUBLIC BENEFITS; DOCUMENTATION AND VIOLATIONS

To the extent permitted by Federal Law: The Contractor shall comply with A.R.S §1-502. A.R.S §1-502 requires each person applying or receiving a public benefit to provide documented proof which demonstrates a lawful presence in the United States.

The State shall reserve the right to conduct unscheduled, periodic process and documentation audits to ensure Contractor compliance. All available Contract remedies, up to and including termination may be taken for failure to comply with A.R.S §1-502 in the delivery of services under this Contract.

23. EMPLOYEES OF THE CONTRACTOR

All employees of the Contractor employed in the performance of work under the Contract shall be considered employees of the Contractor at all times, and not employees of AHCCCS or the State. The Contractor shall comply with the Social Security Act, Workman's Compensation laws and Unemployment laws of the State of Arizona and all State, local and Federal legislation relevant to the Contractor's business.

24. FEDERAL IMMIGRATION AND NATIONALITY ACT

The Contractor shall comply with all Federal, State and local immigration laws and regulations relating to the immigration status of their employees during the term of the contract. Further, the Contractor shall flow down this requirement to all subcontractors utilized during the term of the contract. The State shall retain the right to perform random audits of Contractor and subcontractor records or to inspect papers of any employee thereof to ensure compliance. Should the State determine that the Contractor and/or any subcontractors be found noncompliant, the State may pursue all remedies allowed by law, including, but not limited to; suspension of work, termination of the Contract for default and suspension and/or debarment of the Contractor.

25. GRATUITIES

AHCCCS may, by written notice to the Contractor, immediately terminate this Contract if it determines that employment or a gratuity was offered or made by the Contractor or a representative of the Contractor to any officer or employee of the State for the purpose of influencing the outcome of the procurement or securing the Contract, an amendment to the Contract, or favorable treatment concerning the Contract, including the making of any determination or decision about Contract performance. AHCCCS, in addition to any other rights or remedies, shall be entitled to recover exemplary damages in the amount of three times the value of the gratuity offered by the Contractor.

26. INCORPORATION BY REFERENCE

This Solicitation and all attachments and amendments, the Contractor's Proposal, best and final offer accepted by ADHS/DBHS, and any approved subcontracts are hereby incorporated by reference into the Contract.

27. INDEMNIFICATION**Contractor/Vendor Indemnification (Not Public Agency):**

The parties to this Contract agree that the State of Arizona, its departments, agencies, boards, and commissions shall be indemnified and held harmless by the Contractor for the vicarious liability of the State as a result of entering into this Contract. The Contractor agrees to indemnify, defend, and hold harmless the State from and against any and all claims, losses, liability, costs, and expenses, including attorney's fees and costs, arising out of litigation against AHCCCS including, but not limited to, class action lawsuits challenging actions by the Contractor. The requirement for indemnification applies irrespective of whether or not the Contractor is a party to the lawsuit. Each Contractor shall indemnify the State, on a pro rata basis based on population, attorney's fees and costs awarded against the State as well as the attorney's fees and costs incurred by the State in defending the lawsuit. The Contractor shall also indemnify AHCCCS, on a pro rata basis based on population, the administrative expenses incurred by AHCCCS to address Contractor deficiencies arising out of the litigation. The parties further agree that the State of Arizona, its departments, agencies, boards, and commissions shall be responsible for its own negligence and/or willful misconduct. Each party to this Contract is responsible for its own negligence and/or willful misconduct.

Contractor/Vendor Indemnification (Public Agency):

Each party ("as indemnitor") agrees to indemnify, defend, and hold harmless the other party ("as indemnitee") from and against any and all claims, losses, liability, costs, or expenses (including reasonable attorney's fees) (hereinafter collectively referred to as 'claims') arising out of bodily injury of any person (including death) or property damage but only to the extent that such claims which result in vicarious/derivative liability to the indemnitee, are caused by the act, omission, negligence, misconduct, or other fault of the indemnitor, its officers, officials, agents, employees, or volunteers.

28. INDEMNIFICATION - PATENT AND COPYRIGHT

To the extent permitted by applicable law the Contractor shall defend, indemnify and hold harmless the State against any liability including costs and expenses for infringement of any patent, trademark or copyright arising out of contract performance or use by the State of materials furnished or work performed under this Contract. The State shall reasonably notify the Contractor of any claim for which it may be liable under this paragraph.

29. INSURANCE

The Contractor is required to maintain insurance, at a minimum, as specified below in Standard Professional Service Contract.

STANDARD PROFESSIONAL SERVICE CONTRACT

INDEMNIFICATION CLAUSE: To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees (hereinafter referred to as "Indemnitee") from and against any and all claims, actions, liabilities, damages, losses, or expenses (including court costs, attorneys' fees, and costs of claim processing, investigation and litigation) (hereinafter referred to as "Claims") for bodily injury or personal injury (including death), or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of Contractor or any of its owners, officers, directors, agents, employees or subcontractors. This indemnity includes any claim or amount arising out of, or recovered under, the Workers' Compensation Law or arising out of the failure of such Contractor to conform to any Federal, State, or local law, statute, ordinance, rule, regulation, or court decree. It is the specific intention of the parties that the Indemnitee shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the Indemnitee, be indemnified by Contractor from and against any and all claims. It is agreed that Contractor will be responsible for primary loss investigation, defense, and judgment costs where this indemnification is applicable. In consideration of the award of this Contract, the Contractor agrees to waive all rights of subrogation against the State of Arizona, its officers, officials, agents, and employees for losses arising from the work performed by the Contractor for the State of Arizona.

This indemnity shall not apply if the Contractor or subcontractor(s) is/are an agency, board, commission, or university of the State of Arizona.

INSURANCE REQUIREMENTS:

Contractor shall procure and maintain, until all of their obligations have been discharged, including any warranty periods under this Contract, insurance against claims for injury to persons or damage to property arising from, or in connection with, the performance of the work hereunder by the Contractor, its agents, representatives, employees or subcontractors.

The *Insurance Requirements* herein are minimum requirements for this Contract and in no way limit the indemnity covenants contained in this Contract. The State of Arizona in no way warrants that the minimum limits contained herein are sufficient to protect the Contractor from liabilities that arise out of the performance of the work under this Contract by the Contractor, its agents, representatives, employees or subcontractors, and the Contractor is free to purchase additional insurance.

A. MINIMUM SCOPE AND LIMITS OF INSURANCE: Contractor shall provide coverage with limits of liability not less than those stated below.

1. Commercial General Liability (CGL) – Occurrence Form

Policy shall include bodily injury, property damage, and broad form contractual liability coverage.

- General Aggregate \$2,000,000
- Products – Completed Operations Aggregate \$1,000,000

- Personal and Advertising Injury \$1,000,000
- Damage to Rented Premises \$50,000
- Each Occurrence \$1,000,000

- a. The policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor.
- b. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

2. Business Automobile Liability

Bodily Injury and Property Damage for any owned, hired, and/or non-owned automobiles used in the performance of this Contract.

- Combined Single Limit (CSL) \$1,000,000

- a. Policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by, or on behalf of, the Contractor involving automobiles owned, hired and/or non-owned by the Contractor.
- b. Policy shall contain a waiver of subrogation endorsement as required by this written agreement in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

3. Workers' Compensation and Employers' Liability

- Workers' Compensation Statutory
- Employers' Liability
- Each Accident \$1,000,000
- Disease – Each Employee \$1,000,000
- Disease – Policy Limit \$1,000,000

- a. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

- b. This requirement shall not apply to each Contractor or subcontractor that is exempt under A.R.S. §23-901, and when such Contractor or subcontractor executes the appropriate waiver form (Sole Proprietor or Independent Contractor).

4. Professional Liability (Errors and Omissions Liability)

Each Claim	\$ 2,000,000
Annual Aggregate	\$ 2,000,000

- a. In the event that the professional liability insurance required by this Contract is written on a claims-made basis, Contractor warrants that any retroactive date under the policy shall precede the effective date of this Contract; and that either continuous coverage will be maintained or an extended discovery period will be exercised for a period of two (2) years beginning at the time work under this Contract is completed.
- b. Policy shall cover professional misconduct or wrongful acts for those positions defined in the Program Requirements of this Contract.

B. ADDITIONAL INSURANCE REQUIREMENTS: The policies shall include, or be endorsed to include, as required by this written agreement, the following provisions:

1. The Contractor's policies, as applicable, shall stipulate that the insurance afforded the Contractor shall be primary and that any insurance carried by the Department, its agents, officials, employees or the State of Arizona shall be excess and not contributory insurance, as provided by A.R.S. §41-621 (E).
2. Insurance provided by the Contractor shall not limit the Contractor's liability assumed under the indemnification provisions of this Contract.

C. NOTICE OF CANCELLATION: Applicable to all insurance policies required within the Insurance Requirements of this Contract, Contractor's insurance shall not be permitted to expire, be suspended, be canceled, or be materially changed for any reason without thirty (30) days prior written notice to the State of Arizona. Within two (2) business days of receipt, Contractor must provide notice to the State of Arizona if they receive notice of a policy that has been or will be suspended, canceled, materially changed for any reason, has expired, or will be expiring. Such notice shall be sent to AHCCCS as specified in Section F, Attachment F3, Contractor Chart of Deliverables, of this Contract.

D. ACCEPTABILITY OF INSURERS: Contractor's insurance shall be placed with companies licensed in the State of Arizona or hold approved non-admitted status on the Arizona Department of Insurance List of Qualified Unauthorized Insurers. Insurers shall have an "A.M. Best" rating of not less than A- VII. The State of Arizona in no way warrants that the above-required minimum insurer rating is sufficient to protect the Contractor from potential insurer insolvency.

- E. **VERIFICATION OF COVERAGE:** Contractor shall furnish AHCCCS with certificates of insurance (valid ACORD form or equivalent approved by the State of Arizona) evidencing that Contractor has the insurance as required by this Contract. An authorized representative of the insurer shall sign the certificates.

All such certificates of insurance and policy endorsements must be received by AHCCCS as specified in Section F, Attachment F3, Contractor Chart of Deliverables, of this Contract before work commences. The State's receipt of any certificates of insurance or policy endorsements that do not comply with this written agreement shall not waive or otherwise affect the requirements of this agreement.

Each insurance policy required by this Contract must be in effect at, or prior to, commencement of work under this Contract. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.

All certificates required by this Contract shall be sent directly to AHCCCS as specified in Section F, Attachment F3, Contractor Chart of Deliverables, of this Contract. The AHCCCS contract number and project description shall be noted on the certificate of insurance. The State of Arizona reserves the right to require complete copies of all insurance policies required by this Contract at any time.

- F. **SUBCONTRACTORS:** Contractor's certificate(s) shall include all subcontractors as insureds under its policies or Contractor shall be responsible for ensuring and/or verifying that all subcontractors have valid and collectable insurance as evidenced by the certificates of insurance and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the relevant insurance section of the AHCCCS Minimum Subcontract Provisions located on the AHCCCS website. AHCCCS reserves the right to require, at any time throughout the life of the Contract, proof from the Contractor that its subcontractors have the required coverage. All subcontractors are required to maintain insurance and to provide verification upon request.
- G. **APPROVAL AND MODIFICATIONS:** AHCCCS, in consultation with State Risk, reserves the right to review or make modifications to the insurance limits, required coverages, or endorsements throughout the life of this Contract, as deemed necessary. Such action will not require a formal Contract amendment but may be made by Administrative Action.
- H. **EXCEPTIONS:** In the event the Contractor or subcontractor(s) is/are a public entity, then the Insurance Requirements shall not apply. Such public entity shall provide a certificate of self-insurance. If the Contractor or subcontractor(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.

[END OF INSURANCE REQUIREMENTS]

30. IRS W9 FORM

In order to receive payment under any resulting contract, the Contractor shall have a current IRS W-9 Form on file with the State of Arizona.

31. LIMITATIONS ON BILLING AND COLLECTION PRACTICES

Except as provided in Federal and State Law and regulations, the Contractor shall not bill, nor attempt to collect payment directly or through a collection agency from a person who was AHCCCS eligible at the time the covered service(s) were rendered, or from the financially responsible relative or representative for covered services that were paid or could have been paid by the system.

32. LOBBYING

No funds paid to the Contractor by AHCCCS, or interest earned thereon, shall be used for the purpose of influencing or attempting to influence an officer or employee of any Federal or State agency, a member of the United States Congress or State Legislature, an officer or employee of a member of the United States Congress or State Legislature in connection with awarding of any Federal or State contract, the making of any Federal or State grant, the making of any Federal or State loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment or modification of any Federal or State Contract, grant, loan, or cooperative agreement. The Contractor shall disclose if any funds paid to the Contractor by AHCCCS have been used or will be used to influence the persons and entities indicated above and will assist AHCCCS in making such disclosures to CMS.

33. NO GUARANTEED QUANTITIES

AHCCCS does not guarantee the Contractor any minimum or maximum quantity of services or goods to be provided under this Contract.

34. NON-EXCLUSIVE REMEDIES

The rights and the remedies of AHCCCS under this Contract are not exclusive.

35. OFF-SHORE PERFORMANCE OF WORK PROHIBITED

Any services that are specified in the specifications or scope of work that directly serve the State of Arizona or its clients and involve access to secure or sensitive data or personal client data shall be performed within the defined territories of the United States. Unless specifically stated otherwise in the specifications, this paragraph does not apply to indirect or "overhead" services, redundant back-up services or services that are incidental to the performance of the Contract. This provision applies to work performed by subcontractors at all tiers. No claims paid by the Contractor to a network provider, out-of-network provider, subcontractor or financial institution located outside of the United States are considered in the development of actuarially sound capitation rates [42 CFR 457.1285, 42 CFR 438.602(i)].

36. ORDER OF PRECEDENCE

The parties to this Contract shall be bound by all terms and conditions contained herein. For interpreting such terms and conditions the following sources shall have precedence in descending order: The Constitution and laws of the United States and applicable Federal regulations; the terms of the Section 1115 Demonstration Waiver for the State of Arizona; the Arizona State Plan;

the Constitution and laws of Arizona, and applicable State Rules; the terms of this Contract which consists of the RFP, the Proposal of the Successful Offeror, and any Best and Final Offer including any attachments, executed amendments and modifications; and AHCCCS policies and procedures.

37. OWNERSHIP OF INFORMATION AND DATA

Materials, reports and other deliverables created under this Contract are the sole property of AHCCCS. The Contractor is not entitled to any rights to those materials and may not transfer any rights to anyone else. Except as necessary to carry out the requirements of this Contract, as otherwise allowed under this Contract, or as required by law, the Contractor shall not use or release data, information or materials, reports, or deliverables derived from that data or information without the prior written consent of AHCCCS. Data, information, and reports collected or prepared by the Contractor in the course of performing its duties and obligations under this Contract shall not be used by the Contractor for any independent project of the Contractor or publicized by the Contractor without the prior written permission of AHCCCS. Subject to applicable State and Federal laws and regulations, AHCCCS shall have full and complete rights to reproduce, duplicate, disclose, and otherwise use all such information.

At the termination of the Contract, the Contractor shall make available all such data to AHCCCS within 30 days following termination of the contract or such longer period as approved by AHCCCS/OOD. For purposes of this subsection, the term "data" shall not include member medical records.

Except as otherwise provided in this section, if any copyrightable or patentable material is developed by the Contractor in the course of performance of this Contract, the Federal government, AHCCCS and the State of Arizona shall have a royalty-free, nonexclusive, and irrevocable right to reproduce, publish, or otherwise use, and to authorize others to use, the work for state or Federal government purposes. The Contractor shall additionally be subject to the applicable provisions of 45 CFR Part 75.

38. RESERVED

39. RELATIONSHIP OF PARTIES

The Contractor under this Contract is an independent Contractor. Neither party to this Contract shall be deemed to be the employee or agent of the other party to the Contract.

40. RIGHT OF OFFSET

AHCCCS shall be entitled to offset against any sums due the Contractor any expenses or costs incurred by AHCCCS or damages assessed by AHCCCS concerning the Contractor's non-conforming performance or failure to perform the Contract, including but not limited to expenses, costs and damages.

41. RIGHT TO ASSURANCE

If AHCCCS, in good faith, has reason to believe that the Contractor does not intend to perform or is unable to continue to perform this Contract, the Procurement Officer may demand in writing that the Contractor give a written assurance of intent to perform. The demand shall be sent to

the Contractor by certified mail, return receipt required. Failure by the Contractor to provide written assurance within the number of days specified in the demand may, at the State's option, is the basis for terminating the Contract.

42. RIGHT TO INSPECT PLANT OR PLACE OF BUSINESS

AHCCCS may, at reasonable times, inspect the part of the plant or place of business of the Contractor or subcontractor that is related to the performance of this Contract, in accordance with A.R.S. §41-2547.

43. RESERVED

44. SEVERABILITY

The provisions of this Contract are severable. Any term or condition deemed illegal or invalid shall not affect any other term or condition of the Contract.

45. SUSPENSION OR DEBARMENT

The Contractor shall not employ, consult, subcontract or enter into any agreement for Title XIX services with any person or entity who is debarred, suspended or otherwise excluded from Federal procurement activity or from participating in non-procurement activities under regulations issued under Executive Order 12549 [42 CFR 438.610] or under guidelines implementing Executive Order 12549. This prohibition extends to any entity which employs, consults, subcontracts with, or otherwise reimburses for services any person substantially involved in the management of another entity which is debarred, suspended, or otherwise excluded from Federal procurement activity. The Contractor is obligated to screen all employees and contractors to determine whether any of them have been excluded from participation in Federal health care programs. The Contractor can search the HHS-OIG website by the names of any individuals. The database can be accessed at, www.oig.hhs.gov/fraud/exclusions.asp.

The Contractor shall not retain as a director, officer, partner, or owner of 5% or more of the Contractor entity, any person, or affiliate of such a person, who is debarred, suspended or otherwise excluded from Federal procurement activity.

AHCCCS may, by written notice to the Contractor, immediately terminate this Contract if it determines that the Contractor has been debarred, suspended, or otherwise lawfully prohibited from participating in any public procurement activity.

46. TEMPORARY MANAGEMENT/OPERATION OF A CONTRACTOR

Temporary Management/Operation by AHCCCS: Pursuant to the Medicaid Managed Care Regulations 42 CFR Part 438, Subpart I, 42 Part 457, and A.R.S. §36-2903, AHCCCS is authorized to impose temporary management for a Contractor under certain conditions. Under Federal law, temporary management may be imposed if AHCCCS determines that there is continued egregious behavior by the Contractor, including but not limited to the following: substantial failure to provide medically necessary services the Contractor is required to provide; imposition on members premiums or charges that exceed those permitted by AHCCCS, discrimination among members on the basis of health status or need for health care services; misrepresentation or falsification of information to AHCCCS or CMS; misrepresentation or falsification of information

furnished to a member or provider; distribution of marketing materials that have not been approved by AHCCCS or that are false or misleading; or behavior contrary to any requirements of Sections 1903(m) or 1932 of the Social Security Act. Temporary management may also be imposed if AHCCCS determines that there is substantial risk to members' health or that temporary management is necessary to ensure the health of members while the Contractor is correcting the deficiencies noted above or until there is an orderly transition or reorganization of the Contractor. Under Federal law, temporary management is mandatory if AHCCCS determines that the Contractor has repeatedly failed to meet substantive requirements in Sections 1903(m) or 1932 of the Social Security Act. Pursuant to 42 CFR 438.706, AHCCCS shall not delay imposition of temporary management to provide a hearing before imposing this sanction [42 CFR 457.1270, 42 CFR 438.706(a)-(d), Section 1932(e)(2)(B)(ii) of the Social Security Act].

If AHCCCS undertakes direct operation of the Contractor, AHCCCS, through designees appointed by the Director, shall be vested with full and exclusive power of management and control of the Contractor as necessary to ensure the uninterrupted care to persons and accomplish the orderly transition of persons to a new or existing Contractor, or until the Contractor corrects the Contract performance failure to the satisfaction of AHCCCS. AHCCCS shall have the power to employ any necessary assistants, to execute any instrument in the name of the Contractor, to commence, defend and conduct in its name any action or proceeding in which the Contractor may be a party; such powers shall only apply with respect to activities occurring after AHCCCS undertakes direct operation of the Contractor in connection with this Section.

All reasonable expenses of AHCCCS related to the direct operation of the Contractor, including attorney fees, cost of preliminary or other audits of the Contractor and expenses related to the management of any office or other assets of the Contractor, shall be paid by the Contractor or withheld from payment due from AHCCCS to the Contractor.

47. TERM OF CONTRACT AND OPTION TO RENEW

The "Term of Contract" shall commence on October 1, 2015, and shall continue through September 30, 2022, unless terminated, canceled, or extended as otherwise provided herein.

The Contract Year is October 1 through September 30 with an annual October 1 renewal.

The terms and conditions of any such Contract extension shall remain the same as the original Contract, except as otherwise amended. Any Contract extension or renewal shall be through Contract amendment, and shall be at the sole option of AHCCCS.

If the Contractor has been awarded a Contract in more than one GSA, each such contract will be considered separately renewable. AHCCCS may renew the Contractor's contract in one GSA, but not in another. In the event AHCCCS determines there are issues of noncompliance by the Contractor in one GSA, AHCCCS may request an enrollment cap for the Contractor's contracts in all other GSAs. Further, AHCCCS may require the Contractor to renew all currently awarded GSAs, or may terminate the Contract if the Contractor does not agree to renew all currently awarded GSAs.

Contract amendments, including renewals, are subject to approval by the Centers for Medicare

and Medicaid Services (CMS). When the Contracting Officer issues an amendment to extend or renew the Contract, the provisions of such extension or renewal will be deemed to have been accepted 30 days after the date of mailing by the Contracting Officer, unless a different time period is specified by AHCCCS, even if the extension or renewal amendment has not been signed by the Contractor, unless within that time the Contractor notifies the Contracting Officer in writing that it refuses to sign the extension or renewal amendment. Failure of an existing Contractor to accept an amendment to extend or renew may result in immediate suspension/termination of member assignment. If the Contractor provides such notification, the Contracting Officer may initiate Contract termination proceedings.

If the Contractor chooses not to renew this Contract, the Contractor may be liable for certain costs associated with the transition of its members to a different Contractor. The Contractor is required to provide 180 days advance written notice to the Contracts and Purchasing Administrator of its intent not to renew the Contract. If the Contractor provides the Contracts and Purchasing Administrator written notice of its intent not to renew this Contract at least 180 days before its expiration, this liability for transition costs may be waived by the Contracting Officer.

AHCCCS YH20-0002 Transfer of RBHA Services/Competitive Contract Expansion Activities: As part of the AHCCCS Competitive Contract Expansion (CCE) #YH20-0002, effective October 1, 2022, in the event there is a delay in the implementation of the Contract with a Successful Offeror, AHCCCS may negotiate with Contractors under the RBHA Contract #YH17-0001 to extend service provision until a time specified by AHCCCS.

48. TERMINATION

AHCCCS reserves the right to terminate this Contract in whole or in part by reason of force majeure, due to the failure of the Contractor to comply with any term or condition of the Contract, including, but not limited to, circumstances which present risk to member health or safety, and as authorized by the Balanced Budget Act of 1997 and 42 CFR 438.710. The term force majeure means an occurrence that is beyond the control of AHCCCS and occurs without its fault or negligence. Force majeure includes acts of God and other similar occurrences beyond the control of AHCCCS which it is unable to prevent by exercising reasonable diligence.

AHCCCS reserves the right to terminate this Contract and transition members to a different Contractor, or provide Medicaid benefits through other State Plan or Section 1115 Demonstration Waiver, if the state determines that the Contractor has failed to carry out the substantive terms of its Contract or has failed to meet the applicable requirements of Sections 1932, 1903(m) or 1905(t) of the Social Security Act [42 CFR 457.1270, 42 CFR 438.708(a), 42 CFR 438.708(b), Sections 1903(m), 1905(t), and 1932 of the Social Security Act].

If the Contractor is providing services under more than one Contract with AHCCCS, AHCCCS may deem unsatisfactory performance under one Contract to be cause to require the Contractor to provide assurance of performance under any and all other Contracts. In such situations, AHCCCS reserves the right to seek remedies under both actual and anticipatory breaches of Contract if adequate assurance of performance is not received. The Contracting Officer shall mail written notice of the termination and the reason(s) for it to the Contractor by certified mail, return receipt requested. [Section 1932(e)(4) of the Social Security Act, 42 CFR 457.1270, 42 CFR 438.722(a)-(b)].

Pursuant to the Balanced Budget Act of 1997 and 42 CFR 438.710, 42 CFR 438.10, AHCCCS shall provide the Contractor with a pre-termination hearing before termination of the Contract.

Upon termination, all documents, data, and reports prepared by the Contractor under the Contract shall become the property of and be delivered to immediately AHCCCS on demand.

The Contractor shall retain, preserve and make available records, within the timeframes required by State and Federal law, including but not limited to, those records related to member grievances and appeal records, litigation, base data, Medical Loss Ratio (MLR) reports, claims settlement and those covered under HIPAA, as required by Contract, State and Federal law, including but not limited to 45 CFR 164.530(j)(2), 42 CFR 457.1201(q), and 42 CFR 438.3(u). Refer to ACOM Policy 440.

AHCCCS may, upon termination of this Contract, procure on terms and in the manner that it deems appropriate, materials or services to replace those under this Contract. The Contractor shall be liable for any excess costs incurred by AHCCCS in re-procuring the materials or services.

49. TERMINATION - AVAILABILITY OF FUNDS

If funds are not presently available to support the continuation of performance under this Contract beyond the current fiscal year, this Contract may be terminated at the end of the period for which funds are available. No legal liability on the part of AHCCCS for any payment may arise under this Contract until funds are made available for performance of this Contract.

Notwithstanding any other provision in the Agreement, this Agreement may be terminated by Contractor, if, for any reason, there are not sufficient appropriated and available monies for the purpose of maintaining this Agreement. In the event of such termination, the Contractor shall have no further obligation to AHCCCS.

50. TERMINATION FOR CONFLICT OF INTEREST

AHCCCS may cancel this Contract without penalty or further obligation if any person significantly involved in initiating, negotiating, securing, drafting or creating the Contract on behalf of AHCCCS is, or becomes at any time while the Contract or any extension of the Contract is in effect, an employee of, or a consultant to, any other party to this Contract with respect to the subject matter of the Contract. The cancellation shall be effective when the Contractor receives written notice of the cancellation unless the notice specifies a later time.

If the Contractor is a political subdivision of the State, it may also cancel this Contract as provided by A.R.S. §38-511.

51. TERMINATION FOR CONVENIENCE

AHCCCS reserves the right to terminate the Contract in whole or in part at any time for the convenience of the State without penalty or recourse. The Contracting Officer shall give written notice by certified mail, of the termination at least 90 days before the effective date of the termination. Upon receipt of written notice, the Contractor shall stop all work, as directed in the notice, notify all subcontractors of the effective date of the termination, and minimize all further

costs to the State. In the event of termination under this paragraph, all documents, data and reports prepared by the Contractor under the Contract shall become the property of and be delivered to AHCCCS immediately on demand. The Contractor shall be entitled to receive just and equitable compensation for work in progress, work completed and materials accepted before the effective date of the termination.

52. TERMINATION UPON MUTUAL AGREEMENT

This Contract may be terminated by mutual written agreement of the parties effective upon the date specified in the written agreement. If the parties cannot reach agreement regarding an effective date for termination, AHCCCS will determine the effective date.

53. THIRD PARTY ANTITRUST VIOLATIONS

The Contractor assigns to the State any claim for overcharges resulting from antitrust violations to the extent that those violations concern materials or services supplied by third parties to the Contractor toward fulfillment of this Contract.

54. TYPE OF CONTRACT

Fixed-Price, stated as capitated per member per month, except as otherwise provided.

55. WARRANTY OF SERVICES

The Contractor warrants that all services provided under this Contract will conform to the requirements stated herein. AHCCCS' acceptance of services provided by the Contractor shall not relieve the Contractor from its obligations under this warranty. In addition to its other remedies, AHCCCS may, at the Contractor's expense, require prompt correction of any services failing to meet the Contractor's warranty herein. Services corrected by the Contractor shall be subject to all of the provisions of this Contract in the manner and to the same extent as the services originally furnished.

[END OF SECTION E: CONTRACT TERMS AND CONDITIONS]

SECTION F: ATTACHMENTS

ATTACHMENT F1:

MEMBER GRIEVANCE AND APPEAL SYSTEM STANDARDS

CONTRACT/RFP NO. YH17-0001

SECTION F: ATTACHMENTS

ATTACHMENT F1: MEMBER GRIEVANCE AND APPEAL SYSTEM STANDARDS

The Contractor shall have a written policy delineating its Grievance and Appeal System which shall be in accordance with applicable Federal and State laws, regulations and policies, including, but not limited to 42 CFR Part 438 Subpart F. The Contractor shall furnish Grievance and Appeal System information to members no later than 12 days after the Contractor receives notice of the enrollment and annually thereafter. The Contractor shall provide this information to subcontractors at the time of Contract and make this information available in its provider manual and on its website. Additionally, the Contractor shall provide written notification of any significant change in this policy at least 30 days before the intended effective date of the change.

The written information provided to members describing the Grievance and Appeal System as well as Contractor appeal and grievance notices, including denial and termination notices, shall be available in the prevalent non- English language spoken for each LEP population in the Contractor's service area [42 CFR 438.3(d)(3)]. These written materials must also be made available in alternate formats upon request at no cost. Auxiliary aids and services must also be made available upon request and at no cost. These written materials shall include taglines in the prevalent non-English languages in Arizona and in large print (font size of at least 18 point) explaining the availability of written translation or oral interpretation services to understand the information and include the Contractor's toll free and TTY/TDY telephone numbers for customer service. Oral interpretation services shall not substitute for written translation of vital materials. Refer to ACOM Policy 404 and ACOM Policy 406 for additional information and requirements [42 CFR 438.408(d)(1), 42 CFR 438.10].

The Contractor shall inform members that oral interpretation services are available in any language and alternative communication formats are available for members who have hearing or vision impairment.

For additional information regarding the member Notice of Adverse Benefit Determination process, and State developed notice templates, refer to ACOM Policy 414 and 42 CFR Part 438 [42 CFR 457.1207, 42 CFR 438.10(c)(4)(ii)]. For additional information regarding member information requirements, refer to ACOM Policy 404 and ACOM Policy 406.

Failure to comply with any of these provisions may result in an imposition of sanctions.

At a minimum, the Contractor must comply with the following Grievance and Appeal System Standards and incorporate these requirements into its policies and/or procedures:

1. The Contractor shall maintain accurate records of all grievances and appeals in a manner accessible to the State and available upon request to CMS and which must contain at a minimum the following [42 CFR 457.1260, 42 CFR 438.416(a), 42 CFR 438.416(b)(1)-(6), 42 CFR 438.416(c)]:
 - a. A general description of the reason for an appeal or grievance,
 - b. The date received,
 - c. The date of each review or, if applicable, review meeting,
 - d. The resolution at each level of appeal or grievance,

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- e. The date of resolution at each level,
 - f. The name of the member for whom the appeal or grievance was filed,
 - g. The name of the individual filing the appeal or grievance on behalf of the member, if applicable, and
 - h. The date the request for hearing was received, if applicable.
2. The Contractor has an effective mechanism in place for tracking receipt, acknowledgement, investigation and resolution of grievances and appeals and for tracking requests for hearing within the required timeframes.
 3. The Contractor shall track and trend Grievance and Appeal System information as a source of information for quality improvement and in accordance with the AHCCCS Grievance and Appeal System Reporting Guide.
 4. Information explaining the grievance, appeal, and fair hearing procedures and timeframes. This information shall include a description of the circumstances when there is a right to a hearing, the method for obtaining a hearing, the requirements which govern representation at the hearing, the right to file grievances and appeals and the requirements and timeframes for filing a grievance, appeal, or request for hearing [42 CFR 457.1260, 42 CFR 438.414, 42 CFR 438.10(g)(2)(xi)(A)-(C)].
 5. The Contractor must provide members any reasonable assistance in completing forms and taking other procedural steps related to the grievance and appeal process. This included but is not limited to auxiliary aids and services upon request, such as interpreter services and toll free numbers that have adequate TTY/TTD and interpreter capability [42 CFR 457.1260, 42 CFR 438.406(a), 42 CFR 438.228(a)].
 6. The availability of toll-free numbers that a member can use to file a grievance or appeal by phone if requested by the member.
 7. Oral inquiries seeking to appeal an Adverse Benefit Determination are treated as appeals, and are confirmed in writing unless the member or the provider requests expedited resolution [42 CFR 457.1260, 42 CFR 438.406(b)(3)].
 8. The Contractor shall permit both oral and written appeals and grievances [42 CFR 457.1260, 42 CFR 438.402(c)(3)(i), 42 CFR 438.402(c)(3)(ii)].
 9. The Contractor shall acknowledge receipt of each grievance and appeal. For grievances, the Contractor is not required to acknowledge receipt of the grievance in writing, however, if the member requests written acknowledgement, the acknowledgement must be made within five business days of receipt of the request. For appeals, the Contractor shall acknowledge receipt of standard appeals in writing within five business days of receipt and within one business day of receipt of expedited appeals [42 CFR 457.1260, 42 CFR 438.406(b)(1), 42 CFR 438.228(a)].

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10. The Contractor shall ensure individuals who make decisions regarding grievances and appeals are individuals not involved in any previous level of review or decision making, or a subordinate of such individuals. The Contractor shall also ensure individuals who make decisions regarding: 1) appeals of denials based on lack of medical necessity, 2) grievances regarding denials of expedited resolutions of appeals or 3) grievances or appeals involving clinical issues have the appropriate clinical expertise in treating the member's condition or disease [42 CFR 457.1260, 42 CFR 438.406(b)(2)(ii)(A)-(C), 42 CFR 438.228(a)]. Decision makers on grievance and appeals of adverse benefit determinations take into account all comments, documents, records, and other information submitted by the member or their representative without regard to whether such information was submitted or considered in the initial adverse benefit determination [42 CFR 457.1260, 42 CFR 438.406(b)(2)(iii), 42 CFR 438.228(a)]. AHCCCS does not offer or arrange for an external medical review as specified in 42 CFR 457.1260 and 42 CFR 438.402(c)(1)(i)(B).
11. The Contractor shall not delegate the Grievance and Appeal System requirements to its providers.
12. Define a grievance as a member's expression of dissatisfaction with any matter, other than an adverse benefit determination [42 CFR 438.400(b)]. There are no time limits for filing a member grievance.
13. A member must file a grievance with the Contractor and the member is not permitted to file a grievance directly with the AHCCCS [42 CFR 457.1260, 42 CFR 438.402(c)(3)(i)].
14. The Contractor shall address identified issues as expeditiously as the member's condition requires and must resolve each grievance within 10 business days of receipt, absent extraordinary circumstances. However, no grievances shall exceed 90 days for resolution. Contractor decisions on member grievances cannot be appealed [42 CFR 457.1260, 42 CFR 438.408(a), 42 CFR 438.408(b)(1) and (3)].
15. The Contractor responds to a grievance in writing, if a member requests a written explanation of the resolution, and the response must be mailed within 10 business days of resolution of the grievance.
16. If resolution to a grievance or appeal of an Adverse Benefit Determination is not completed when the timeframe expires, the member is deemed to have exhausted the Contractor's grievance process and the can file a request for hearing [42 CFR 457.1260, 42 CFR 438.408, 42 CFR 438.402(c)(1)(i)(A)].
17. The resolution timeframe for an appeal may be extended by up to 14 calendar days if the member requests the extension or if the Contractor shows that there is a need for additional information and that the delay is in the member's interest [42 CFR 457.1260, 42 CFR 438.408(b)(1)-(3), 42 CFR 438.408(c)(1)(i)-(iii)].
18. If the Contractor extends the timeframe for resolution of an appeal not at the request of the member, the Contractor must make reasonable efforts to give the member prompt oral notice of the delay and give the member written notice within two calendar days of the reason for the

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decision to extend the timeframe and inform the member of the right to file a grievance if the member disagrees with that decision [42 CFR 457.1260, 42 CFR 438.408(c)(2)(i)-(ii), 42 CFR 438.408(b)(1)-(3)].

19. Define a service authorization request as a request by the member, the representative, or a provider for a physical or behavioral health service for the member which requires Prior Authorization (PA) by the Contractor [42 CFR 438.210]. The Contractor shall ensure completion of the service authorization request decision within the timeframe applicable to the particular type of the authorization request: 1) authorization requests for medications and 2) authorization requests that do not involve medications. The Contractor shall process standard and expedited authorization requests as service authorization requests that do not involve medications. The Contractor shall process service authorization requests pertaining to medications according to the timeframes applicable to medication requests and not according to the standard or expedited timeframes used for non medication service authorization requests.
20. Define a standard authorization request for standard authorization decisions not involving medications: A standard authorization request is a request for a service that is not a medication and which does not meet the definition of an expedited service authorization request. For standard service authorization requests, the date the Contractor receives the request is considered the date of receipt and is used to determine the due date for completion of the decision. For standard authorization decisions (those not involving medications), the Contractor must provide a Notice of Adverse Benefit Determination to the member as expeditiously as the member's health condition requires, but not later than 14 calendar days following the receipt of the authorization request, regardless of whether the 14th day falls on a weekend (Saturday and Sunday) or legal holiday as defined by the State of Arizona, with a possible extension of up to 14 additional calendar days if the member or provider requests an extension or if the Contractor establishes a need for additional information and the delay is in the member's best interest [42 CFR 457.1260, 42 CFR 457.1230(d), 42 CFR 438.210(d)(1)(i)-(ii), 42 CFR 438.404(c)(3)-(4)]. The Notice of Adverse Benefit Determination must comply with the advance notice requirements when there is a termination or reduction of a previously authorized service or when there is a denial of an authorization request and the physician asserts that the requested service/treatment is a necessary continuation of a previously authorized service.
21. Defined an expedited authorization request for expedited authorization decisions not involving medications: An expedited authorization request is a request for a service that is not a medication in which either the requesting provider indicates, or the Contractor determines, that following the standard timeframes for issuing an authorization decision could seriously jeopardize the member's life or health or ability to attain, maintain, or regain maximum function. For expedited authorization decisions (those not involving medications), the Contractor must provide a Notice of Adverse Benefit Determination to the member as expeditiously as the member's health condition requires, but not later than 72 hours following the receipt of the authorization request, regardless of whether the 72 hour deadline falls on a weekend (Saturday and Sunday) or legal holiday as defined by the State of Arizona, with a possible extension of up to 14 calendar days if the member or provider requests an extension or if the Contractor establishes a need for additional

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information and the delay is in the member's interest [42 CFR 457.1260, 42 CFR 457.1230(d), 42 CFR 438.210(d)(2)(i)-(ii), 42 CFR 438.404(c)(6)].

22. For service authorization decisions for medications, the Contractor must provide a Notice of Adverse Benefit Determination no later than 24 hours from receipt of the authorization request regardless of whether the due date for the medication authorization decision falls on a weekend (Saturday and Sunday) or legal holiday as defined by the State of Arizona. If the prior authorization request for the medication lacks sufficient information for the Contractor to render a decision for the medication, the Contractor shall send a request for additional information to the prescriber no later than 24 hours from receipt of the request. The Contractor must provide the Notice of Adverse Benefit Determination no later than seven business days from the initial date of the authorization request [42 CFR 438.3(s)].
23. The Contractor shall ensure that the date/hour it receives the request, whichever is applicable, is considered the date/time of receipt of the service authorization request. The Contractor may use electronic date stamps or manual stamping for logging the receipt.
24. Define an Adverse Benefit Determination as set forth below [42 CFR 438.400(b)] and permit a member, or their designated representative, to file an appeal of an adverse benefit determination taken by the Contractor. Adverse Benefit Determinations are any of the following:
 - a. Denial or limited authorization of a requested service, including determinations based on the type or level of service requirements for medical necessity, appropriateness, setting, or effectiveness of a covered benefit,
 - b. Reduction, suspension, or termination of a previously authorized service,
 - c. Denial, in whole or in part, of payment for a service,
 - d. Failure to provide services in a timely manner, as defined by the State,
 - e. Failure to act within the timeframes provided in 42 CFR 457.1260 and 42 CFR 438.408(b)(1) and (2) required for standard resolution of appeals and standard disposition of grievances,
 - f. Denial of a rural member's request to obtain services outside the Contractor's network under 42 CFR 438.52(b)(2)(ii), when the Contractor is the only Contractor in the rural area, and
 - g. Denial of a member's request to dispute a financial liability, including cost sharing, copayments, premiums, deductibles, coinsurance, or other member financial liabilities.
25. The Notice of Adverse Benefit Determination for a service authorization decision that is not completed within the standard, expedited, or medication authorization request timeframes, whichever is applicable, will be made on the date that the timeframes expire [42 CFR 438.404(c)(5)]. If the Contractor extends the timeframe to make a standard or expedited authorization decision, the Contractor must give the member written notice of the reason to extend the timeframe and inform the member of the right to file a grievance if the member disagrees with the decision. The Contractor must issue and carry out its decision as expeditiously as the member's health condition requires and no later than the date the extension expires [42 CFR 457.1260, 42 CFR 457.1230(d), 42 CFR 438.210(d)(1)(ii), 42 CFR 438.404(c)(4)(i)-(ii)].
26. The Contractor shall notify the requesting provider, in writing, of the decision to deny or reduce a service authorization request.

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27. The Contractor shall provide a Notice of Adverse Benefit Determination: 1) at least 10 days before the date of a termination, suspension or reduction of previously authorized AHCCCS services, except as provided in (a)-(e) below; 2) at least five days before the date of adverse benefit determination in the case of alleged fraud; 3) at the time of any adverse benefit determination affecting the claim when there has been a denial of payment for a service, in whole or in part; 4) within 14 calendar days from receipt of a standard service authorization request, within 72 hours from receipt of an expedited service authorization request, unless an extension is in effect, or within 24 hours from receipt of a medication authorization request, unless additional information is needed from the prescriber in which case the determination must be provided no later than seven business days from the receipt of the initial request. For service authorization decisions, the Contractor shall also ensure that the Notice of Adverse Benefit Determination provides the member with advance notice and the right to request continued benefits for all terminations and reductions of a previously authorized service and for denials when the physician asserts that the requested service/treatment which has been denied is a necessary continuation of a previously authorized service [42 CFR 438.404(c)(1), 42 CFR 431.211, 42 CFR 438.404(c)(1), 42 CFR 431.214, 42 CFR 438.404(c)(2)].

As specified below, the Contractor may elect to mail a Notice of Adverse Benefit Determination no later than the date of Adverse Benefit Determination when [42 CFR 438.404(c)(1), 42 CFR 431.213, 42 CFR 431.231(d), section 1919(e)(7) of the Social Security Act, 42 CFR 483.12(a)(5)(i), 42 CFR 483.12(a)(5)(i)-(ii)]:

- a. The Contractor receives notification of the death of a member,
- b. The member signs a written statement requesting service termination or gives information requiring termination or reduction of services (which indicates understanding that the termination or reduction will be the result of supplying that information),
- c. The member is admitted to an institution where he/she is ineligible for further services,
- d. The member's address is unknown and mail directed to the member has no forwarding address,
- e. The member has been accepted for Medicaid in another local jurisdiction.

28. The Notice of Adverse Benefit Determination must explain: 1) the adverse benefit determination the Contractor has taken or intends to take, 2) the reasons for the adverse benefit determination including the right of the member to be provided upon request, and at no charge, reasonable access to copies of all documents, records and other information related to the adverse benefit determination; this information includes medical necessity criteria, any processes, strategies or evidentiary standards used in setting coverage limits, 3) the member's right to file an appeal with the Contractor, 4) the procedures for exercising these rights, 5) circumstances when expedited resolution is available and how to request it and 6) the member's right to receive continued benefits pending resolution of the appeal, how to request continued benefits and the circumstances under which the member may be required to pay for the cost of these services. The Notice of Adverse Benefit Determination shall comply with ACOM Policy 414 [42 CFR 457.1260, 42 CFR 438.404(b)(1)-(6), 42 CFR 438.402(b)-(c)].

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29. Define an appeal as the request for review of an Adverse Benefit Determination, as defined above [42 CFR 438.400(b)].
30. Define a standard appeal. The Contractor shall resolve standard appeals as expeditiously as the member's health condition requires but no later than 30 calendar days from the date of receipt of the appeal unless an extension is in effect [42 CFR 457.1260, 42 CFR 438.408(a), 42 CFR 438.408(b)(2)]. If a Notice of Appeal Resolution is not completed when the timeframe expires, the member's appeal shall be considered to be denied by the Contractor, and the member can file a request for hearing [42 CFR 457.1260, 42 CFR 438.402(b), 42 CFR 438.228(a)].
31. Define an expedited appeal as an appeal in which the Contractor determines (for a request from a member) or the Provider indicates (when making the request for the member or in support of the member's request) that taking the time for standard resolution could seriously jeopardize the member's life, physical or mental health, or ability to attain, maintain, or regain maximum function. The Contractor shall resolve all expedited appeals as expeditiously as the member's health condition requires but not later than 72 hours from the date the Contractor receives the expedited appeal (unless an extension is in effect) [42 CFR 438.408(a), 42 CFR 438.408(b)(3)]. The Contractor shall make reasonable efforts to provide oral notice to a member regarding an expedited resolution appeal [42 CFR 457.1260, 42 CFR 438.408(d)(2)(ii)]. If a Notice of Appeal Resolution is not completed when the timeframe expires, the member's appeal shall be considered to be denied by the Contractor, and the member can file a request for hearing [42 CFR 438.402(b), 42 CFR 438.228(a)].
32. A member shall be given 60 calendar days from the date of the Contractor's Notice of Adverse Benefit Determination to file an appeal [42 CFR 457.1260, 42 CFR 438.402(c)(2)(ii)].
33. Explain that a provider or authorized representative acting on behalf of a member and with the member's written consent, may file an appeal grievance, or request a state fair hearing request [42 CFR 457.1260, 42 CFR 438.402(c)(1)(i)-(ii), 42 CFR 438.408]. The provider or authorized representative acting on behalf of the member shall be given 60 calendar days from the date of the Contractor's Notice of Adverse Benefit Determination to file an appeal either orally or in writing unless an expedited resolution is requested, oral appeals must be followed by a written, signed appeal [42 CFR 457.1260, 42 CFR 438.402(c)(1)(ii), 42 CFR 438.402(c)(2)(ii), 42 CFR 438.402(c)(3)(ii)].
34. The Contractor includes, as parties to the appeal, the member, the member's legal representative, or the legal representative of a deceased member's estate [42 CFR 457.1260, 42 CFR 438.406(b)(6)].
35. The Contractor must ensure that punitive action is not taken against a provider who either requests an expedited resolution or supports a member's appeal [42 CFR 457.1260, 42 CFR 438.410(b)].

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36. The resolution timeframes for standard appeals and expedited appeals may be extended up to 14 calendar days if the member requests the extension or if the Contractor establishes a need for additional information and that the delay is in the member's interest [42 CFR 457.1260, 42 CFR 438.408(c), 42 CFR 438.408(b)].
37. If the Contractor extends the timeframe for resolution of an appeal when not requested by the member, the Contractor shall make reasonable efforts to give the member prompt oral notice and follow-up within two calendar days with a written notice of the reason for the decision to extend the timeframe and the member's grievance rights [42 CFR 457.1260, 42 CFR 438.408(c)(2)(i)-(iii), 42 CFR 438.408(b)(2)-(3)].
38. The Contractor shall establish and maintain an expedited review process for appeals when 1)the Contractor determines (for a request from a member) the standard resolution timeframe could seriously jeopardize the member's life, physical or mental health, or ability to attain, maintain, or regain maximum function or 2)the provider indicates (in making the request on behalf of the member or in support of the member's request) the standard resolution timeframe could seriously jeopardize the member's life, physical or mental health, or ability to attain, maintain, or regain maximum function [42 CFR 457.1260, 42 CFR 438.210(d)(2)(i), 42 CFR 438.404(c)(6), 42 CFR 438.410(a)].
39. If the Contractor denies a request for expedited resolution; it must transfer the appeal to the 30-calendar day timeframe for a standard appeal [42 CFR 457.1260, 42 CFR 438.410(c), 42 CFR 438.408(b)(2), 42 CFR 438.408(c)(2)]. The Contractor must make reasonable efforts to give the member prompt oral notice and follow-up within two calendar days with a written notice of the denial of expedited resolution and the member's grievance rights.
40. For appeals, the Contractor provides the member a reasonable opportunity to present evidence and to make legal and factual arguments in person and in writing [42 CFR 438.406(b)(4), 42 CFR 438.408(b), 42 CFR 438.408(c)]. The Contractor must inform the member of the limited time available to provide this information sufficiently in advance of the resolution timeframe [42 CFR 438.406(b)(4), 42 CFR 438.408(b), 42 CFR 438.408(c)].
41. For appeals, the Contractor provides the member and his/her representative the member's case file including medical records, other documents and any new or additional evidence considered, relied upon, or generated by the Contractor (or at the direction of the Contractor) in connection with the appeal. This information must be provided at no charge to the member and sufficiently in advance of the resolution timeframe [42 CFR 457.1260, 42 CFR 438.406(b)(5)].
42. The Contractor shall provide written Notice of Appeal Resolution to the member and the member's representative or the representative of the deceased member's estate which must contain: 1) the results of the resolution process, including the legal citations or authorities supporting the determination, and the date it was completed, and 2) for appeals not resolved wholly in favor of members: a) the member's right to request a State fair hearing (including the requirement that the member must file the request for a hearing in writing) no later than 120 days after the date the member receives the Contractor's notice of appeal resolution and how to do so,

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b) the right to receive continued benefits pending the hearing when the member has requested a hearing within 10 calendar days from the date the notice of resolution was sent and how to request continuation of benefits and c) information explaining that the member may be held liable for the cost of benefits if the hearing decision upholds the Contractor [42 CFR 438.408(d)(2)(i)-(ii), 42 CFR 438.10, 42 CFR 438.408(e)(1)-(2)].

43. The Contractor shall continue benefits if all of the following occur: [42 CFR 438.420, 42 CFR 438.402(c)(2)(ii)]
- a. The member files the request for an appeal within 60 calendar days following the date on the Adverse Benefit Determination notice.
 - b. The appeal involves:
 - i. The termination, suspension, or reduction of a previously authorized service, or
 - ii. A denial and the physician asserts that the requested service/treatment is a necessary continuation of a previously authorized service.
 - c. The member's services were ordered by an authorized provider.
 - d. When the appeal was filed, the period covered by the original authorization has not expired, AND
 - e. The member files a request for continuation of benefits on or before the later of the following:
 - i. Within 10 calendar days of the Contractor sending the notice of Adverse Benefit Determination, or
 - ii. The intended effective date of the Contractor's proposed Adverse Benefit Determination.
44. If at a member's request, benefits are continued or are reinstated while the appeal or State fair hearing is pending, the Contractor shall continue benefits until one of the following occur [42 CFR 438.420(c)(1)-(3), 42 CFR 438.408(d)(2)]:
- a. The member withdraws the appeal or request for State fair hearing.
 - b. The member does not request a State fair hearing and continuation of benefits within 10 calendar days from the date the Contractor sends the notice of an adverse appeal resolution.
 - c. A State fair hearing decision adverse to the member is issued.

The Contractor shall continue benefits regardless of the period of the initial prior authorization, if all of the requirements in 41 are met.

The Contractor may, consistent with AHCCCS policy on recoveries and as specified in Contract, recover the cost of continued services furnished to the member while the appeal or state fair hearing was pending if the final resolution of the appeal or state fair hearing upholds the Contractor's Adverse Benefit Determination [42 CFR 438.420(d); 42 CFR 431.230(b)].

45. If the member files a request for hearing the Contractor must ensure that the hearing request and supporting documentation is submitted to the AHCCCS/OALS as specified by ACOM Policy 445 and Attachment F3, Contractor Chart of Deliverables. State fair hearing notices will be issued by the AHCCCS Administration and are not delegated to the Contractor [42 CFR 438.228(b)].

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46. If the Contractor or the State fair hearing decision reverses a decision to deny, limit or delay services not furnished during the appeal or the pendency of the hearing process, the Contractor shall authorize or provide the services promptly and as expeditiously as the member's health condition requires but no later than 72 hours from the date it receives the notice reversing the determination [42 CFR 457.1260, 42 CFR 438.424(a)]. Services must be authorized within the above timeframe irrespective of whether the Contractor contests the decision.
47. If the Contractor or State fair hearing decision reverses a decision to deny authorization of services and the disputed services were received pending appeal, the Contractor shall pay for those services, as specified in policy and/or regulation [42 CFR 457.1260, 42 CFR 438.424(b)].
48. If the Contractor or the Director's Decision reverses a decision to deny, limit, or delay authorization of services, and the member received the disputed services while the appeal was pending, the Contractor shall process a claim for payment from the provider in a manner consistent with the Contractor's or Director's Decision and applicable statutes, Rules, policies, and Contract terms. The provider shall have 90 days from the date of the reversed decision to submit a clean claim to the Contractor for payment. For all claims submitted as a result of a reversed decision, the Contractor is prohibited from denying claims for un-timeliness if they are submitted within the 90 day timeframe. The Contractor is also prohibited from denying claims submitted as a result of a reversed decision because the member failed to request continuation of services during the appeals/hearing process: a member's failure to request continuation of services during the appeals/hearing process is not a valid basis to deny the claim.
49. If the Contractor or State fair hearing decision upholds a decision to deny authorization of services and the disputed services were received pending the appeal or State fair hearing decision, the Contractor may recover the cost of those services from the member.
50. In addition to the grievance and appeals procedures specified herein, the Contractor shall also make available the grievance and appeals processes specified in Arizona Administrative Code Title 9, Chapter 21, Article 4 for persons determined under Arizona law to be Seriously Mentally Ill.

[END OF ATTACHMENT F1: MEMBER GRIEVANCE AND APPEAL SYSTEM STANDARDS]

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ATTACHMENT F2:

PROVIDER CLAIM DISPUTE STANDARDS

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ATTACHMENT F2: PROVIDER CLAIM DISPUTE STANDARDS

The Contractor shall have in place a written claim dispute policy for its subcontractors and non-contracted providers. The policy shall be in accordance with applicable Federal and State laws, regulations and policies.

Failure to comply with any of these provisions may result in the imposition of sanctions.

The Contractor shall comply with the following provisions:

1. The Provider Claim Dispute Policy shall stipulate that all claim disputes must be adjudicated in Arizona, including those claim disputes arising from claims processed by an Administrative Services Subcontractor.
2. The Provider Claim Dispute Policy shall be provided to all subcontractors at the time of contract. For providers without a contract, the Contractor shall send a copy of its Provider Claim Dispute Policy within 45 days of receipt of a claim. The Policy may be mailed with a remittance advice, provided the remittance is sent within 45 days of receipt of a claim.
3. The Provider Claim Dispute Policy must specify that all claim disputes challenging claim payments, denials or recoupments must be filed in writing with the Contractor no later than 12 months from the date of service, 12 months after the date of eligibility posting or within 60 days after the payment, denial or recoupment of a timely claim submission, whichever is later.
4. The Provider Claim Dispute Policy must specify a physical local address in Arizona for the submission of all provider claim disputes and hearing requests.
5. Specific individuals are appointed with authority to require corrective action and with requisite experience to administer the claim dispute process.
6. The Contractor shall develop and maintain a tracking log for all claim disputes containing sufficient information to identify the Complainant, date of receipt, nature of the claim dispute, resolution of the claim dispute and the date of resolution.
7. Claim disputes are acknowledged in writing and within five business days of receipt.
8. Claim disputes are thoroughly investigated using the applicable statutory, regulatory, contractual and policy provisions, ensuring that relevant facts are obtained from all parties.
9. All documentation received by the Contractor during the claim dispute process is dated upon receipt.

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ATTACHMENT F3:

CONTRACTOR CHART OF DELIVERABLES

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10. All claim disputes are filed in a secure, designated area and are retained for five years following the Contractor's decision, the AHCCCS decision, judicial appeal or close of the claim dispute, whichever is later, unless otherwise provided by law.
11. The provider Claim Dispute Policy must specify a copy of the Contractor's Notice of Decision (Decision) shall be mailed to all parties no later than 30 days after the provider files a claim dispute with the Contractor, unless the provider and Contractor agree to a longer period. The Decision must include and describe in detail, the following:
 - a. The nature of the claim dispute.
 - b. The specific factual and legal basis for the dispute, including but not limited to, an explanation of the specific facts that pertain to the claim dispute, the identification of the member name, pertinent dates of service, dates and specific reasons for Contractor denial/payment of the claim, and whether or not the provider is a contracted provider.
 - c. An explanation of 1) how the Contractor applies the relevant and specific facts in the case to the relevant laws to support the Contractor's decision and 2) the applicable statutes, rules, contractual provisions, policies, and procedures, if applicable. Reference to general legal authorities alone is not acceptable.
 - d. The Provider's right to request a hearing by filing a written request to the Contractor no later than 30 days after the date the provider receives the Decision.
 - e. If the claim dispute is overturned, in full or in part, the requirement that the Contractor shall reprocess and pay the claim(s) in a manner consistent with the Decision within 15 business days of the date of the Decision.
12. If the provider files a written request for hearing, the Contractor must ensure that the hearing request and supporting documentation is submitted to AHCCCS/OALS as specified by ACOM Policy 445 and Attachment F3, Contractor Chart of Deliverables.
13. If the Contractor upholds a claim dispute and a request for hearing is subsequently filed, the Contractor must review the matter to determine why the request for hearing was filed and resolve the matter when appropriate.
14. If the Contractor's Decision regarding a claim dispute is reversed, in full or in part, through the appeal process, the Contractor shall reprocess and pay the claim(s) in a manner consistent with the Decision along with any applicable interest within 15 business days of the date of the Decision.
15. If the Contractor or the State fair hearing decision reverses a decision to deny, limit or delay services not furnished during the claim dispute or the pendency of the hearing process, the Contractor shall authorize or provide the services promptly and as expeditiously as the member's health condition requires but no later than 72 hours from the date it receives the notice reversing the determination [42 CFR 438.424]. Services must be authorized within the above timeframe irrespective of whether the Contractor contests the decision.

[END OF ATTACHMENT F2: PROVIDER CLAIMS DISPUTE STANDARDS]

SECTION F: ATTACHMENTS

ATTACHMENT F3:

CONTRACTOR CHART OF DELIVERABLES

CONTRACT/RFP NO. YH17-0001

ATTACHMENT F3: CONTRACTOR CHART OF DELIVERABLES

The following table is a summary of the periodic reporting requirements for the Contractor and is subject to change at any time during the term of the contract. The table is presented for convenience only and should not be construed to limit the Contractor's responsibilities in any manner. Content for all deliverables is subject to review. The submission of late, inaccurate, or incomplete data shall be subject to the penalty provisions described in Section D, Paragraph 68, Administrative Actions.

The deliverables listed below are due by 5:00 PM Arizona Time on the due date indicated. If the due date falls on a weekend or a State Holiday, the due date is 5:00 PM Arizona Time on the next business day.

All deliverables which are noted to be submitted via SharePoint are to be submitted to the SharePoint Contract Compliance site at: compliance.azahcccs.gov. Should AHCCCS modify any deliverables, or the submission process for deliverables, AHCCCS shall provide a notice of instruction to the Contractor outlining changes to the deliverable.

All deliverables indicated with a "***" shall be submitted via one combined deliverable for both the ACC and RBHA Contracts. These deliverables must distinctly speak to each line of business as applicable, including any specific requirements. Deliverables shall be submitted as specified in the "Submitted Via" column of the chart of deliverables. For example, if a "***" deliverable indicates it shall be submitted via SharePoint, the Contractor must submit the "***" deliverable on the ACC SharePoint site, addressing both ACC and RBHA requirements throughout. There would be no submission on the RBHA SharePoint for this deliverable.

Refer to Contractor Chart of Deliverables below

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ATTACHMENT F3:
CONTRACTOR CHART OF DELIVERABLES

CONTRACT/RFP NO. YH17-0001

Area	Timeframe	Report	When Due	Contract Section, Paragraph	Reference/Policy	Checklist-Template-Reporting Form	Submitted Via
DBF/CONTRACT PURCHASING	Ad Hoc	**Certifications of Insurance	Within 10 days of notification of contract award and prior to commencement of any services under this Contract	E,29	N/A	N/A	Email notification to AHCCCS Procurement Office
DBF/CONTRACT PURCHASING	Ad Hoc	**Insurance Material Change	Within 30 days of discovery	E,29	N/A	N/A	Email notification to AHCCCS Procurement Office

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Area	Timeframe	Report	When Due	Contract Section, Paragraph	Reference/Policy	Checklist-Template-Reporting Form	Submitted Via
DBF/TPL UNIT	Ad Hoc	**Third Party Liability Reporting - Involving Commercial Insurance Payor Sources: TPL Leads File or Via the TPL Referral Web Portal	Within 10 days of discovery	D,54	AHCCCS Technical Interface Guidelines; ACOM Policy 434	N/A	AHCCCS FTP to AHCCCS ISD or TPL Referral Web Portal: ecenter.hmsy.com/ to AHCCCS TPL Contractor (HMS)
DBF/TPL UNIT	Ad Hoc	**Third Party Liability Reporting - Other Third Party Liability Recoveries: For Determination of a Mass Tort, Total Plan Case or Joint Case	Within 10 days of discovery	D,54	AHCCCS Technical Interface Guidelines; ACOM Policy 434	N/A	Email, Fax, or mail submission to AHCCCS TPL Contractor (HMS)

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Area	Timeframe	Report	When Due	Contract Section, Paragraph	Reference/Policy	Checklist-Template-Reporting Form	Submitted Via
DBF/TPL UNIT	Ad Hoc	**Total Plan Case Settlement Reporting Via the Settlement Notification Form (when reporting, Contractors must use the monthly file or the ad hoc form)	Within 10 business days from the settlement date	D,54	ACOM Policy 434	ACOM Policy 434, Attachment A	Email, Fax, or mail submission to AHCCCS TPL Management Analyst

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CONTRACTOR CHART OF DELIVERABLES

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Area	Timeframe	Report	When Due	Contract Section, Paragraph	Reference/Policy	Checklist-Template-Reporting Form	Submitted Via
DBF/TPL UNIT	Monthly	**Total Plan Case Settlement Reporting Via Monthly File (when reporting, Contractors must use the monthly file or the ad hoc form)	20 th day of the month	D,54	ACOM Policy 434	ACOM Policy 434, Attachment A	Email, Fax, or mail submission to AHCCCS TPL Management Analyst
DCAIR/INDEPENDENT OVERSIGHT COMMITTEE	Ad Hoc	Redacted S&R Individual Reports Concerning All Enrolled Individuals Receiving Services From A Behavioral Health Provider	Within three days of Contractor review or completion of IAD/IRF/QOC process	D,22	AMPM Policy 962	AMPM Policy 962, Attachment A	AHCCCS QM Portal

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Area	Timeframe	Report	When Due	Contract Section, Paragraph	Reference/Policy	Checklist-Template-Reporting Form	Submitted Via
DCAIR/OFFICE OF HUMAN RIGHTS	Ad Hoc	Copy of Appeal, Results of an Informal Conference, and Notices of Hearing in Appeals Concerning a Member in Need of Special Assistance	Upon Occurrence	D,9	AMPM Policy 320-R	N/A	Secure Email to OHRts@azahcccs.gov
DCAIR/OFFICE OF HUMAN RIGHTS	Ad Hoc	Grievance or Request for Investigation and Grievance/Investigation Decision Letter Concerning a Member in Need of Special Assistance	Upon Occurrence	D,9	AMPM Policy 320-R	N/A	Secure Email to OHRts@azahcccs.gov

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Area	Timeframe	Report	When Due	Contract Section, Paragraph	Reference/Policy	Checklist-Template-Reporting Form	Submitted Via
DCAIR/OFFICE OF HUMAN RIGHTS	Ad Hoc	Notification of a Member in Need of Special Assistance	Within 5 days of meeting criteria	D,9	AMPM Policy 320-R	N/A	AHCCCS QM Portal
DCAIR/OFFICE OF HUMAN RIGHTS	Ad Hoc	Notification of a Member No Longer in Need of Special Assistance	Within 10 days of no longer meeting criteria	D,9	AMPM Policy 320-R	N/A	AHCCCS QM Portal
DCAIR/OFFICE OF HUMAN RIGHTS	Ad Hoc	Updates to Special Assistance Member Demographics	Within 5 business days of change	D,9	AMPM Policy 320-R	N/A	AHCCCS QM Portal
DCAIR/OFFICE OF INDIVIDUAL AND FAMILY AFFAIRS	Ad Hoc	New Peer-Run and/or Family-Run Organization Request	As needed	D, 5	N/A	Reporting Form as provided by DCAIR, OIFA Bureau Chief	SharePoint

SECTION F: ATTACHMENTS

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Area	Timeframe	Report	When Due	Contract Section, Paragraph	Reference/Policy	Checklist-Template-Reporting Form	Submitted Via
DCAIR/OFFICE OF INDIVIDUAL AND FAMILY AFFAIRS	Quarterly	**Credentialed Parent/Family Support Specialist Involvement in Service Delivery	15 days after the end of each quarter	D, 5	AMPM Policy 964	AMPM Policy 964, Attachment A	SharePoint (Combine Non-Title XIX/XXI Contract Deliverable with Title XIX/XXI Contract Deliverable and submit under the ACC Deliverable in SharePoint)
DCAIR/OFFICE OF INDIVIDUAL AND FAMILY AFFAIRS	Quarterly	**Peer/Recovery Support Specialist Involvement in Service Delivery	15 days after the end of each quarter	D,5	AMPM Policy 963	AMPM Policy 963, Attachment A	SharePoint (Combine Non-Title XIX/XXI Contract Deliverable with Title XIX/XXI Contract Deliverable and submit under the ACC deliverable in SharePoint)
DCAIR/OFFICE OF INDIVIDUAL AND FAMILY AFFAIRS	Quarterly	**Roster of Peer and Family Committee Members	15 days after the end of each quarter	D,5	N/A	Reporting Form as provided by DCAIR, OIFA Bureau Chief	SharePoint

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Area	Timeframe	Report	When Due	Contract Section, Paragraph	Reference/Policy	Checklist-Template-Reporting Form	Submitted Via
DGA/GRANTS	Annually	Substance Use Treatment Program Report	July 31	D,23	N/A	Reporting Form as provided by DGA, Grant Manager	SharePoint (Combine Non-Title XIX/XXI Contract Deliverable with Title XIX/XXI Contract Deliverable and submit under the Title XIX/XXI RBHA Substance Use Treatment Program Report deliverable in SharePoint)
DHCM/CLINICAL ADMINISTRATOR	Ad Hoc	Communication of Adverse Action to Provider	Within one business day	D,22	AMPM Policies 910, 950, and 960	N/A	SharePoint

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Area	Timeframe	Report	When Due	Contract Section, Paragraph	Reference/Policy	Checklist-Template-Reporting Form	Submitted Via
DHCM/CLINICAL RESOLUTION	Ad Hoc	Contractor Response to AHCCCS Regarding Member Grievances (Response to Problem Resolution)	Initial 2 to 72 hour response as indicated by complaint urgency	D,25	N/A	NA	Email to the Clinical Resolution Specialist
DHCM/CLINICAL RESOLUTION	Ad Hoc	Survivors of Sex Trafficking Outreach Activity Results	Within seven days of notification	D,23	N/A	N/A	Email to the Clinical Resolution Specialist
DHCM/CLINICAL RESOLUTION	Monthly	Crisis Call Report	15 days after month end	D,9	N/A	N/A	SharePoint

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Area	Timeframe	Report	When Due	Contract Section, Paragraph	Reference/Policy	Checklist-Template-Reporting Form	Submitted Via
DHCM/EMPLOYMENT	Quarterly	Psychiatric Rehabilitation Progress Report	15 days after the end of each quarter	D,9	ACOM Policy 447	ACOM Policy 447, Attachment C	SharePoint
DHCM/FINANCE	Ad Hoc	Related Parties or Affiliates Advances, Loans, Loan Guarantees, Investments, Profit Sharing, or Equity	30 days prior to disbursement of funds	D,46	AHCCCS Financial Reporting Guide	N/A	Email Notification to DHCM Finance Manager

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Area	Timeframe	Report	When Due	Contract Section, Paragraph	Reference/Policy	Checklist-Template-Reporting Form	Submitted Via
DHCM/FINANCE	Ad Hoc	Change in Contractor Organizational Structure: Automatic Clearing House (ACH) Vendor Authorization Form	45 days prior to the effective date and commencement of operations	D,49	ACOM Policy 317	https://www.azahcccs.gov/PlansProviders/RatesAndBilling/FFS/directdeposit.html	SharePoint
DHCM/FINANCE	Ad Hoc	Corporate Cost Allocation Plans and Adjustment in Management Fees	30 days prior to anticipated effective date	D,50	AHCCCS Financial Reporting Guide	N/A	SharePoint

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Area	Timeframe	Report	When Due	Contract Section, Paragraph	Reference/Policy	Checklist-Template-Reporting Form	Submitted Via
DHCM/FINANCE	Ad Hoc	Health Insurance Providers Fee: Anticipated Federal and Arizona State Income Tax Rates (If a tax filing extension was requested)	April 30 of the year following the fee year	D,47	ACOM Policy 320	ACOM Policy 320, Attachment A	SharePoint
DHCM/FINANCE	Ad Hoc	Health Insurance Providers Fee: No Fee Due (if Annual Reporting does not apply)	September 30 of each fee year	D,47	ACOM Policy 320	ACOM Policy 320, Attachment A	SharePoint
DHCM/FINANCE	Ad Hoc	Nursing Facility Contracted Rates for Reinsurance	30 days after a nursing facility rate change	D,53	AHCCS Reinsurance Manual	N/A	Email to dhcmreinsurance@azahcccs.gov

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Area	Timeframe	Report	When Due	Contract Section, Paragraph	Reference/Policy	Checklist-Template-Reporting Form	Submitted Via
DHCM/FINANCE	Ad Hoc	PBP Expenditures Report (TI Breakout) (CYE18, CYE19, CYE20)	CYE18/CYE19 within 60 days of request CYE20: March 15 (2.5 months after the end of the measurement year)	D,50	ACOM Policy 307	ACOM Policy 307, Attachment	Email Notification to the DHCM Finance Manager
DHCM/FINANCE	Ad Hoc	Performance Bond or Bond Substitute	30 days after notification from AHCCCS or upon self-identification of needed increase	D,43	ACOM Policy 305	N/A	Mail or hand-delivered sealed originals to DHCM Finance
DHCM/FINANCE	Ad Hoc	Physician Incentives: Contractual Arrangements with Substantial Financial Risk	45 days prior to implementation of the contract	D,41	N/A	N/A	SharePoint

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Area	Timeframe	Report	When Due	Contract Section, Paragraph	Reference/Policy	Checklist-Template-Reporting Form	Submitted Via
DHCM/FINANCE	Ad Hoc	Provider Payment Arrangements/ Encounter Monitoring	Upon Request	D,60	AHCCS Financial Reporting Guide	N/A	SharePoint
DHCM/FINANCE	Ad Hoc	Quality Measure and MLR Report (CYE18, CYE19, CYE20)	CYE18/CYE19: Within 60 days of request CYE20: March 15 (2.5 months after the end of the measurement year)	D,50	ACOM Policy 307	ACOM Policy 307, Attachment	Email Notification to the DHCM Finance Manager
DHCM/FINANCE	Annually	Administrative Cost Allocation Plan	August 1	D,36	AHCCS Financial Reporting Guide	N/A	SharePoint

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Area	Timeframe	Report	When Due	Contract Section, Paragraph	Reference/Policy	Checklist-Template-Reporting Form	Submitted Via
DHCM/FINANCE	Annually	APM Strategies Certification (Interim), Structured Payment File, and APM Indicator	June 30 after the end of the measurement year	D,47	ACOM Policy 307	ACOM Policy 307, Attachment B	Email notification to DHCM Finance Manager
DHCM/FINANCE	Annually	APM Strategies Certification (Final), Structured Payment File, and APM Indicator	April 30 (19 months of the end of the measurement year)	D,47	ACOM Policy 307	ACOM Policy 307, Attachment B	Email Notification to DHCM Finance Manager
DHCM/FINANCE	Annually	APM Strategies Certification (Initial)	February 1 of the measurement year	D,47	ACOM Policy 306; ACOM Policy 307	ACOM Policy 307, Attachment B	Email notification to DHCM Finance Manager

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Area	Timeframe	Report	When Due	Contract Section, Paragraph	Reference/Policy	Checklist-Template-Reporting Form	Submitted Via
DHCM/FINANCE	Annually	**Audited Financial Information for Controlling Entity	120 days after the Contractor's Fiscal Year End	D,47	AHCCS Financial Reporting Guide	N/A	SharePoint (Submit one Deliverable for all Lines of Business under the ACC Deliverable in SharePoint)
DHCM/FINANCE	Annually	Capitation Rate Setting Actuarial Data Request	Two weeks after request	D,51	N/A	N/A	FTP Server with email notification to DHCM/Finance: Managed_Care_Finance@azahcccs.gov
DHCM/FINANCE	Annually	Community Reinvestment Plan	November 30	D,51	AHCCS Financial Reporting Guide	N/A	SharePoint

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Area	Timeframe	Report	When Due	Contract Section, Paragraph	Reference/Policy	Checklist-Template-Reporting Form	Submitted Via
DHCM/FINANCE	Annually	Community Reinvestment Report	June 30 following the contract year end	D,51	AHCCS Financial Reporting Guide	N/A	SharePoint
DHCM/FINANCE	Annually	Draft Audit Financial Information for Contractor (Flat File)	90 days after the Contractor's Fiscal Year End	D,47	AHCCS Financial Reporting Guide	N/A	FTP Server
DHCM/FINANCE	Annually	**Draft Audit Financial Reporting Package	90 days after Contractor's Fiscal Year end	D,47	AHCCS Financial Reporting Guide	N/A	SharePoint (Combine Non-Title XIX/XXI Contract Deliverable with Title XIX/XXI Contract Deliverable and submit under the ACC Draft Audit Financial Reporting Package deliverable in SharePoint)

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Area	Timeframe	Report	When Due	Contract Section, Paragraph	Reference/Policy	Checklist-Template-Reporting Form	Submitted Via
DHCM/FINANCE	Annually	Final Audit Financial Information for Contractor (Flat File)	120 days after the Contractor's Fiscal Year End	D,47	AHCCS Financial Reporting Guide	N/A	FTP Server
DHCM/FINANCE	Annually	**Final Audit Financial Reporting Package	120 days after Contractor's Fiscal Year end	D,47	AHCCS Financial Reporting Guide	N/A	SharePoint (Combine Non-Title XIX/XXI Contract Deliverable with Title XIX/XXI Contract Deliverable and submit under the ACC Draft Audit Financial Reporting Package deliverable in SharePoint)
DHCM/FINANCE	Annually	Health Insurance Providers Fee: Federal and State Income Tax Filings	April 30 of the year following the fee year	D,47	ACOM Policy 320	ACOM Policy 320, Attachment A	SharePoint

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Area	Timeframe	Report	When Due	Contract Section, Paragraph	Reference/Policy	Checklist-Template-Reporting Form	Submitted Via
DHCM/FINANCE	Annually	Medical Loss Ratio Report and Attestation	April 1 following the Contract Year end	D,47	AHCCCS Financial Reporting Guide	N/A	SharePoint
DHCM/FINANCE	Annually	Nursing Facility Contracted Rates for Reinsurance	October 1	D,53	AHCCCS Reinsurance Manual	N/A	Email to dhcmreinsurance@azahcccs.gov
DHCM/FINANCE	Annually	PBP Planned Expenditures Report (TI Breakout)	February 1 of the measurement year	D,50	ACOM Policy 307	ACOM Policy 307, Attachment	Email Notification to the DHCM Finance Manager
DHCM/FINANCE	Annually	PBP Subcontractor Financial Transparency Report	April 30 (4 months after the end of the measurement year)	D,50	ACOM Policy 307	ACOM Policy 307, Attachment	Email Notification to the DHCM Finance Manager

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Area	Timeframe	Report	When Due	Contract Section, Paragraph	Reference/Policy	Checklist-Template-Reporting Form	Submitted Via
DHCM/FINANCE	Annually	Performance Bond	30 days prior to performance bond expiration	D,43	ACOM Policy 305	ACOM Policy 305, Attachment A	Mail or Hand-Delivered to DHCM Finance Manager
DHCM/FINANCE	Annually	Performance Bond Attestation	October 1	D,43	ACOM Policy 305	ACOM Policy 305, Attachment A	Mail or Hand-Delivered to DHCM Finance
DHCM/FINANCE	Annually	Quality Measure and MLR Report	March 15 (2.5 months after the end of the measurement year)	D,50	ACOM Policy 307	ACOM Policy 307, Attachment	Email Notification to the DHCM Finance Manager

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Area	Timeframe	Report	When Due	Contract Section, Paragraph	Reference/Policy	Checklist-Template-Reporting Form	Submitted Via
DHCM/FINANCE	Quarterly	Cost Avoidance Savings Recovery Report	45 days after the reporting quarter: (Oct - Dec: Due Feb 14) (Jan – March: Due May 15) (Apr – June: Due August 14) (July – Sept: Due Nov 14)	D,54	AHCCCS Program Integrity Reporting Guide	N/A	SharePoint
DHCM/FINANCE	Quarterly	Financial Reporting Package	45 days after the end of each quarter: (Oct - Dec: Due Feb 14) (Jan – March: Due May 15) (Apr – June: Due August 14) (July – Sept: Due Nov 14)	D,47	AHCCCS Financial Reporting Guide	N/A	SharePoint (Combine Non-Title XIX/XXI Contract Deliverable with Title XIX/XXI Contract Deliverable and submit under the Title XIX/XXI RBHA deliverable in SharePoint)

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Area	Timeframe	Report	When Due	Contract Section, Paragraph	Reference/Policy	Checklist-Template-Reporting Form	Submitted Via
DHCM/FINANCE	Quarterly	**Financial Reporting Package for Medicare LOB	<p>60 days after the end of each quarter: (Oct - Dec: Due March 1) (Jan – March: Due May 30) (Apr – June: Due August 29) (July – Sept: Due Nov 29)</p> <p>If AHCCCS certified, the quarterly deliverable for Oct-Dec is due March 1st, if licensed through the Arizona Department of Insurance and Financial Institutions then the annual filing at March 31st is required and we do not require the quarterly Oct-Dec report at March 1st report.</p>	310 of 362 D,47	AHCCCS Financial Reporting Guide	N/A	SharePoint (Submit one deliverable for all lines of business under the ACC Deliverable in SharePoint)

MARICOPA COUNTY RBEA

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Area	Timeframe	Report	When Due	Contract Section, Paragraph	Reference/Policy	Checklist-Template-Reporting Form	Submitted Via
DHCM/FINANCE	Quarterly	FQHC Member Information	60 days after the end of each quarter: (Oct - Dec: Due March 1) (Jan – March: Due May 30) (Apr – June: Due August 29) (July – Sept: Due Nov 29)	D,33	AHCCCS Financial Reporting Guide	N/A	SharePoint
DHCM/FINANCE	Quarterly	**Premium Tax Reporting	March 15 June 15 September 15 December 15	D,50	ACOM Policy 304	https://insurance.az.gov/insurers/taxes/ahcccs-contractor	SharePoint
DHCM/FINANCE	Quarterly	Unaudited Financial Information for Contractor (Flat File)	45 days after the end of each quarter: (Oct - Dec: Due Feb 14) (Jan – March: Due May 15) (Apr – June: Due August 14) (July – Sept: Due Nov 14)	D,47	AHCCCS Financial Reporting Guide	N/A	FTP Server

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Area	Timeframe	Report	When Due	Contract Section, Paragraph	Reference/Policy	Checklist-Template-Reporting Form	Submitted Via
DHCM/FINANCE	Quarterly	Verification of Receipt of Paid Services	15 th day after the end of the quarter that follows the reporting quarter; (Oct-Dec: Due April 15)(Jan-March: Due July 15)(April-June: Due Oct 15) (July –Sept: Due Jan 15)	D,50	ACOM Policy 424	ACOM Policy 424, Attachment A	SharePoint
DHCM/MCH/EPSTD	Ad Hoc	**AHCCCS Certificate of Necessity for Pregnancy Termination & AHCCCS Verification of Diagnosis by Contractor for Pregnancy Termination Requests	30 days after the end of the month	D,9	AMPM Policy 410	AMPM Policy 410, Attachment C, Attachment D, and Attachment E	SharePoint (Submit one deliverable for all lines of business under the ACC Contract in SharePoint)

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Area	Timeframe	Report	When Due	Contract Section, Paragraph	Reference/Policy	Checklist-Template-Reporting Form	Submitted Via
DHCM/MCH/EPST	Ad Hoc	Stillbirth Supplement Request	Within six months from the delivery date	D,9	AMPM Policy 410	AMPM Policy 410, Attachment B	SharePoint
DHCM/MCH/EPST	Annually	**Dental Plan	December 15	D,9	AMPM Policy 431	AMPM Policy 431, Attachment B	SharePoint (Submit one deliverable for all lines of business under the ACC Contract in SharePoint)
DHCM/MCH/EPST	Annually	**Dental Work Plan Evaluation - Submission to include updated Work Plan, if revisions are needed based on the Contractor's evaluation findings	March 15	D,9	AMPM Policy 431	AMPM Policy 431, Attachment B	SharePoint (Submit one deliverable for all lines of business under the ACC Contract in SharePoint)

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Area	Timeframe	Report	When Due	Contract Section, Paragraph	Reference/Policy	Checklist-Template-Reporting Form	Submitted Via
DHCM/MCH/EPSTD	Annually	**EPSTD Plan	December 15	D,9	AMPM Policy 430	AMPM Policy 430, Attachment F	SharePoint (Submit one deliverable for all lines of business under the ACC Contract in SharePoint)
DHCM/MCH/EPSTD	Annually	**EPSTD Work Plan Evaluation - Submission to include updated Work Plan, if revisions are needed based on the Contractor's evaluation findings	March 15	D,9	AMPM Policy 430	AMPM Policy 430, Attachment F	SharePoint (Submit one deliverable for all lines of business under the ACC Contract in SharePoint)
DHCM/MCH/EPSTD	Annually	**Maternity and Family Planning Services Plan	December 15	D,30	AMPM Policy 420; AMPM Policy 400	AMPM Policy 400, Exhibit 2A	SharePoint (Submit one deliverable for all lines of business under the ACC Contract in SharePoint)

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Area	Timeframe	Report	When Due	Contract Section, Paragraph	Reference/Policy	Checklist-Template-Reporting Form	Submitted Via
DHCM/MC H/EPSTDT	Annually	**Maternity and Family Planning Services Work Plan Evaluation - Submission to include updated Work Plan, if revisions are needed based on the Contractor's evaluation findings	March 15	D,30	AMPM Policy 420; AMPM Policy 400	AMPM Policy 400, Exhibit 2A	SharePoint (Submit one deliverable for all lines of business under the ACC Contract in SharePoint)
DHCM/MC H/EPSTDT	Monthly	Pregnancy Termination Report	30 days after the end of the month	D,9	AMPM Policy 410	AMPM Policy 410, Attachment C, Attachment D, and Attachment E	SharePoint
DHCM/MC H/EPSTDT	Monthly	Sterilization Reporting	30 days after the end of the month	D,9	AMPM Policy 420	AMPM Policy 420, Attachment B	SharePoint

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Area	Timeframe	Report	When Due	Contract Section, Paragraph	Reference/Policy	Checklist-Template-Reporting Form	Submitted Via
DHCM/MCH/EPSTD	Quarterly	EPSTD and Adult Monitoring Report (SMI)	Suspended	D,23	AMPM Policy 430	AMPM Appendix A	SharePoint
DHCM/MCH/EPSTD	Semi-Annually	Number of Pregnant Women who are HIV/AIDS-Positive	30 days after the reporting periods of: [10/1 through 3/31] & [4/1 through 9/30]	D,9	AMPM Policy 410	AMPM Policy 410, Attachment A	SharePoint
DHCM/MEDICAL MANAGEMENT	Ad Hoc	Catastrophic Reinsurance Request	Within 30 days for a newly enrolled member to plan or newly diagnosed	D,53	AHCCCS Reinsurance Policy Manual	AHCCCS Reinsurance - Request for Catastrophic Reinsurance https://www.azahcccs.gov/PlansProviders/HealthPlans/Reinsurance/ Letter and Supporting Medical Documentation	Right Fax

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ATTACHMENT F3:
CONTRACTOR CHART OF DELIVERABLES

CONTRACT/RFP NO. YH17-0001

Area	Timeframe	Report	When Due	Contract Section, Paragraph	Reference/Policy	Checklist-Template-Reporting Form	Submitted Via
DHCM/MEDICAL MANAGEMENT	Ad Hoc	Changes to Interventions and Parameters to Contractor's Exclusive Pharmacy and/or Single Prescriber Process	30 days prior to implementation	D,23	AMPM Policy 310-FF; AMPM Policy 1020	AMPM Policy 1020, Attachment D	SharePoint
DHCM/MEDICAL MANAGEMENT	Ad Hoc	Mental Health Parity Deficiencies Report	Within 5 business days of identifying the deficiency	D,11	ACOM Policy 110	Reporting Form as provided by DHCM, Medical Management Manager	SharePoint
DHCM/MEDICAL MANAGEMENT	Ad Hoc	PASRR Packet Including Invoice	Ad Hoc	D,9	AMPM Policy 680-C	AMPM Policy 680-C, Attachment A, Attachment B, and Attachment C	Email to: PASRRProgram@azahcccs.gov

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Area	Timeframe	Report	When Due	Contract Section, Paragraph	Reference/Policy	Checklist-Template-Reporting Form	Submitted Via
DHCM/MEDICAL MANAGEMENT	Ad Hoc	Transplant Reinsurance Request	Within 30 days of the first component of the transplant	D, 53	AHCCCS Reinsurance Policy Manual	AHCCCS Reinsurance Form - Request for Transplant Reinsurance https://www.azahcccs.gov/PlansProviders/HealthPlans/Reinsurance/	Right Fax
DHCM/MEDICAL MANAGEMENT	Annually	**Catastrophic Reinsurance and Crossover Member List	By October 30 of each contract year	D, 53	AHCCCS Reinsurance Policy Manual	Request for Catastrophic Reinsurance Form Letter and Member List Template	SharePoint
DHCM/MEDICAL MANAGEMENT	Annually	Documentation Supporting Compliance with Mental Health Parity	August 15	D,11	ACOM Policy 110	Reporting Form as provided by DHCM, Medical Management Manager	SharePoint
DHCM/MEDICAL MANAGEMENT	Annually	Drug Utilization Review	30 days after receipt of the questions from AHCCCS	D,22	N/A	N/A	SharePoint

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Area	Timeframe	Report	When Due	Contract Section, Paragraph	Reference/Policy	Checklist-Template-Reporting Form	Submitted Via
DHCM/MEDICAL MANAGEMENT	Annually	**MM Plan	December 15	D,23	AMPM Policy 1020	AMPM Policy 1020, Attachment F and Attachment G	SharePoint
DHCM/MEDICAL MANAGEMENT	Annually	**MM Work Plan Evaluation - Submission to include updated Work Plan, if revisions are needed based on the Contractor's evaluation findings	March 15	D,23	AMPM Policy 1020	AMPM Policy 1020, Attachment F and Attachment G	SharePoint
DHCM/MEDICAL MANAGEMENT	Annually	**Transplant Reinsurance Crossover Member List	By October 30 of each contract year	D, 53	AHCCS Reinsurance Policy Manual	Request for Catastrophic Reinsurance Form Letter and Member List Template	SharePoint

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Area	Timeframe	Report	When Due	Contract Section, Paragraph	Reference/Policy	Checklist-Template-Reporting Form	Submitted Via
DHCM/MEDICAL MANAGEMENT	Monthly	24 Hours Post Medical Clearance ED Report	15th of the month	D,23	AMPM Policy 1020	AMPM 1020, Attachment B	SharePoint
DHCM/MEDICAL MANAGEMENT	Quarterly	DME Service Delivery Reporting	15 days after the end of each quarter	D, 26	AMPM Policy 310-P	AMPM Policy 310-P, Attachment A	SharePoint
DHCM/MEDICAL MANAGEMENT	Quarterly	**Inpatient Hospital Showings Report	15 days after the end of each quarter	D,23	AMPM Policy 1020	N/A	SharePoint (Submit one deliverable for all lines of business under the ACC Contract in SharePoint)
DHCM/MEDICAL MANAGEMENT	Quarterly	Justice System Reach-in Monitoring Report	15 days after the end of each quarter	D,23	AMPM Policy 1020	N/A	SharePoint

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Area	Timeframe	Report	When Due	Contract Section, Paragraph	Reference/Policy	Checklist-Template-Reporting Form	Submitted Via
DHCM/MEDICAL MANAGEMENT	Quarterly	NOA Self-Audit Scores and Executive Summary	45 days after the end of each quarter	D,23	ACOM Policy 414	Reporting Form as provided by DHCM, Medical Management Manager	SharePoint
DHCM/MEDICAL MANAGEMENT	Quarterly	Pharmacy and/or Prescriber - Member Assignment Report	15 days after the end of each quarter	D,23	AMPM Policy 310-FF; AMPM Policy 1020	AMPM Policy 1020, Attachment D	SharePoint
DHCM/MEDICAL MANAGEMENT	Quarterly	**Transplant Log	15 days after the end of each quarter	D,23	AHCCCS Reinsurance Manual	AHCCCS Reinsurance Manual, Reinsurance Form, Quarterly Transplant Log	SharePoint

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Area	Timeframe	Report	When Due	Contract Section, Paragraph	Reference/Policy	Checklist-Template-Reporting Form	Submitted Via
DHCM/MEDICAL MANAGEMENT	Semi-Annually	**Emergency Department Diversion Summary	April 15; October 15	D,23	AMPM Policy 1020	AMPM Policy 1020, Attachment F	SharePoint
DHCM/MEDICAL MANAGEMENT	Semi-Annually	Vivitrol Treatment Program	October 15 April 15	D,23	N/A	AMPM Policy 1020	SharePoint
DHCM/NETWORK	Ad Hoc	**Appointment Availability Review Methods	30 days prior to implementation of the proposed method	D,32	ACOM Policy 417	ACOM Policy 417, Attachment A	SharePoint
DHCM/NETWORK	Ad Hoc	Material Change to Provider Network	60 days prior to expected implementation of the change	D,28	ACOM Policy 439	ACOM Policy 439, Attachment A	SharePoint

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Area	Timeframe	Report	When Due	Contract Section, Paragraph	Reference/Policy	Checklist-Template-Reporting Form	Submitted Via
DHCM/NET WORK	Ad Hoc	**Proposed Alternative Multi-Specialty Interdisciplinary Care Providers	60 days prior to implementation	D,26	ACOM Policy 436	N/A	SharePoint
DHCM/NET WORK	Ad Hoc	Request for Exception to Network Standards	Immediately upon identification	D,26	ACOM Policy 436	N/A	SharePoint
DHCM/NET WORK	Ad Hoc	Unexpected Material Change to Provider Network – Analysis	Within one week of the ‘Unexpected Material Change to Provider Network – Notification	D,28	N/A	N/A	SharePoint

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Area	Timeframe	Report	When Due	Contract Section, Paragraph	Reference/Policy	Checklist-Template-Reporting Form	Submitted Via
DHCM/NET WORK	Ad Hoc	Unexpected Material Change to Provider Network – Notification	Within one business day	D,28	N/A	N/A	SharePoint
DHCM/NET WORK	Annually	**Provider Network Development and Management Plan	November 15	D,72	ACOM Policy 415	ACOM Policy 415, Attachment B	SharePoint
DHCM/NET WORK	Quarterly	**Appointment Availability Review	15 days after the end of each quarter	D,32	ACOM Policy 417	N/A	SharePoint

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Area	Timeframe	Report	When Due	Contract Section, Paragraph	Reference/Policy	Checklist-Template-Reporting Form	Submitted Via
DHCM/NET WORK	Quarterly	**Minimum Network Requirements Verification Template	21 days from the end of the previous quarter Quarter 1: January 21 Quarter 2: April 21 Quarter 3: July 21 Quarter 4: October 21	D,27	ACOM Policy 436	ACOM Policy 436, Attachment A	SharePoint
DHCM/NET WORK	Quarterly	Provider Affiliation Transmission (PAT)	15 days after the end of each quarter (January, April, July, October)	D,27	AHCCS Provider Affiliation Transmission Manual	N/A	FTP server with Email notification
DHCM/NET WORK	Quarterly	**Provider/Network Changes Due to Rates Report	15 days after the end of each quarter	D,28	ACOM Policy 415	ACOM Policy 415, Attachment D	SharePoint

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Area	Timeframe	Report	When Due	Contract Section, Paragraph	Reference/Policy	Checklist-Template-Reporting Form	Submitted Via
DHCM/OFFICE OF WORKFORCE DEVELOPMENT	Annually	**Network Workforce Development Plan	November 15	D,26	ACOM Policy 407	ACOM Policy 407, Attachment A	SharePoint
DHCM/OPERATIONS	Ad Hoc	**Administrative Services Subcontractor Non-Compliance Reporting	Within 30 days of discovery	D,36	N/A	N/A	SharePoint
DHCM/OPERATIONS	Ad Hoc	**Administrative Services Subcontracts	60 days prior to the beginning date of the subcontract	D,36	ACOM Policy 438	ACOM Policy 438, Attachment A	SharePoint
DHCM/OPERATIONS	Ad Hoc	AHCCCS Required Survey Results	45 days after completion	D,67	N/A	N/A	SharePoint

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Area	Timeframe	Report	When Due	Contract Section, Paragraph	Reference/Policy	Checklist-Template-Reporting Form	Submitted Via
DHCM/OPE RATIONS	Ad Hoc	**Change in Contractor Organizational Structure: Notification	180 days prior to the effective date	D,49	ACOM Policy 317	N/A	SharePoint (Submit one deliverable for all lines of business under the ACC Contract in SharePoint)
DHCM/OPE RATIONS	Ad Hoc	**Change in Contractor Organizational Structure: Transition Plan Final Documents	90 days prior to the effective date	D,49	ACOM Policy 317	N/A	SharePoint (Submit one deliverable for all lines of business under the ACC Contract in SharePoint)
DHCM/OPE RATIONS	Ad Hoc	**Change in Contractor Organizational Structure: Transition Plan Initial Documents	180 days prior to the effective date	D,49	ACOM Policy 317	N/A	SharePoint (Submit one deliverable for all lines of business under the ACC Contract in SharePoint)

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Area	Timeframe	Report	When Due	Contract Section, Paragraph	Reference/Policy	Checklist-Template-Reporting Form	Submitted Via
DHCM/OPERATIONS	Ad Hoc	Claim Recoupments > 12 Months from Original Payment	Upon identification by Contractor	D,51	ACOM Policy 412	N/A	SharePoint
DHCM/OPERATIONS	Ad Hoc	**Completed Change in Contractor Organizational Structure: Documents Required after AHCCCS Approval	Within 120 days of the completed Change in Contractor Organizational Structure	D,49	ACOM Policy 317	N/A	SharePoint
DHCM/OPERATIONS	Ad Hoc	**Contractor Request to Add Organizations to Attachment A, Organizations Recognized by AHCCCS	30 days prior to intended use	D,17	ACOM Policy 404	ACOM Policy 404, Attachment A	SharePoint

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Area	Timeframe	Report	When Due	Contract Section, Paragraph	Reference/Policy	Checklist-Template-Reporting Form	Submitted Via
DHCM/OPE RATIONS	Ad Hoc	Data Processes for Recoupments	120 days from receipt of approval	D,51	ACOM Policy 412	N/A	SharePoint
DHCM/OPE RATIONS	Ad Hoc	Final Survey Tool	90 days prior to the intended start date	D,67	N/A	N/A	SharePoint
DHCM/OPE RATIONS	Ad Hoc	Health Promotion Materials	21 days prior to dissemination	D,17	N/A	N/A	SharePoint
DHCM/OPE RATIONS	Ad Hoc	**ID Cards Requiring AHCCCS Approval	45 days prior to dissemination	D,17	ACOM Policy 433	N/A	SharePoint
DHCM/OPE RATIONS	Ad Hoc	Independent Audits of Claims Payment/Health Information Systems	Upon request by AHCCCS	D,60	N/A	N/A	SharePoint

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Area	Timeframe	Report	When Due	Contract Section, Paragraph	Reference/Policy	Checklist-Template-Reporting Form	Submitted Via
DHCM/OPE RATIONS	Ad Hoc	**Key Staff: Contact Information Change	Within one business day of the change	D,15	N/A	N/A	SharePoint
DHCM/OPE RATIONS	Ad Hoc	**Key Staff: Key Position Change	Within 7 days of learning of resignation	D,15	N/A	N/A	SharePoint
DHCM/OPE RATIONS	Ad Hoc	**Key Staff: Notification of Moving Functions Out of State	60 days prior to proposed change	D,15	N/A	N/A	SharePoint
DHCM/OPE RATIONS	Ad Hoc	Link to Website Resources for Members with ASD	Prior to any changes	D,17	N/A	N/A	SharePoint

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Area	Timeframe	Report	When Due	Contract Section, Paragraph	Reference/Policy	Checklist-Template-Reporting Form	Submitted Via
DHCM/OPE RATIONS	Ad Hoc	Material Change to Business Operations	60 days prior to expected implementation of the change	D,42	ACOM Policy 439	N/A	SharePoint
DHCM/OPE RATIONS	Ad Hoc	Medical Records or Supporting Documentation	As specified in the requesting letter	D,20	AHCCCS Data Validation User Manual	N/A	FTP Server
DHCM/OPE RATIONS	Ad Hoc	Member Information Materials	15 days prior to release	D,17	ACOM Policy 404	N/A	SharePoint
DHCM/OPE RATIONS	Ad Hoc	Non-AHCCCS Required Survey Notification and Results	Notification: 15 days prior to conducting the survey, Results: 45 days after the completion	D,18	N/A	N/A	SharePoint

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Area	Timeframe	Report	When Due	Contract Section, Paragraph	Reference/Policy	Checklist-Template-Reporting Form	Submitted Via
DHCM/OPERATIONS	Ad Hoc	Notification of Change to Website, Member Handbook, and/or Formulary URL	Within one business day	D,17	ACOM Policy 404	N/A	SharePoint
DHCM/OPERATIONS	Ad Hoc	Provider Advances, Equity Distributions, Loans, Loan Guarantees, or Investments	10 days prior to disbursement of funds	D,46	ACOM Policy 418	N/A	SharePoint
DHCM/OPERATIONS	Ad Hoc	Repayment of Advances, Equity Distributions, Loans, Loan Guarantees, or Investments	Upon completion of repayment or six months from date of AHCCCS approval, whichever comes first	D,46	ACOM Policy 418	N/A	SharePoint

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Area	Timeframe	Report	When Due	Contract Section, Paragraph	Reference/Policy	Checklist-Template-Reporting Form	Submitted Via
DHCM/OPE RATIONS	Ad Hoc	**Requests for Changes to Dental Prior Authorization Requirements	As Identified	D,9	AMPM Policy 431	N/A	SharePoint
DHCM/OPE RATIONS	Ad Hoc	**Requests for Changes to Uniform Warranty Requirements	As Identified	D,9	AMPM Policy 431	N/A	SharePoint (Submit one deliverable for all lines of business under the ACC Contract in SharePoint)
DHCM/OPE RATIONS	Ad Hoc	Single Claim Recoupments >\$50,000	30 days prior to initiating the recoupment, or earlier if the information is available	D,51	ACOM Policy 412	N/A	SharePoint
DHCM/OPE RATIONS	Ad Hoc	**Social Networking Applications Listing with URLs	Within 30 days of any changes	D,17	ACOM Policy 425	N/A	SharePoint

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Area	Timeframe	Report	When Due	Contract Section, Paragraph	Reference/Policy	Checklist-Template-Reporting Form	Submitted Via
DHCM/OPERATIONS	Ad Hoc	System Change Plan	Six months prior to expected implementation	D,60	N/A	N/A	SharePoint
DHCM/OPERATIONS	Ad Hoc	Telephone Performance Measures	15 days after the month of non-compliance	D,24	ACOM Policy 435	ACOM Policy 435, Attachment A	SharePoint
DHCM/OPERATIONS	Annually	**Administrative Services Subcontractor Evaluation Report	Within 90 days of the start of the Contract Year	D,36	ACOM Policy 438	ACOM Policy 438, Attachment B	SharePoint
DHCM/OPERATIONS	Annually	**Continuity of Operations and Recovery Plan Summary	15 days after the start of the Contract Year	D,69	ACOM Policy 104	ACOM Policy 104, Attachment A	SharePoint
DHCM/OPERATIONS	Annually	**Cultural Competency Plan Assessment	45 days after the start of the Contract Year	D,19	ACOM Policy 405	ACOM Policy 405, Attachment A	SharePoint

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Area	Timeframe	Report	When Due	Contract Section, Paragraph	Reference/Policy	Checklist-Template-Reporting Form	Submitted Via
DHCM/OPERATIONS	Annually	Health Promotion Plan	30 days after the start of the Contract Year	D,17	N/A	N/A	SharePoint
DHCM/OPERATIONS	Annually	**Key Staff: Organization Chart, Functional Organization Chart, Listing of All Key Staff Information	15 days after the start of the Contract Year	D,15	N/A	N/A	SharePoint
DHCM/OPERATIONS	Annually	**Language Access Plan	45 days after the start of the Contract Year	D,17	ACOM Policy 405	ACOM Policy 405, Attachment A	SharePoint
DHCM/OPERATIONS	Annually	Link to Website Resources for Members with ASD	45 days after the start of the Contract Year	D,17	N/A	N/A	SharePoint

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Area	Timeframe	Report	When Due	Contract Section, Paragraph	Reference/Policy	Checklist-Template-Reporting Form	Submitted Via
DHCM/OPERATIONS	Annually	Member Advisory Council Plan	December 15	D,11	ACOM Policy 449	N/A	SharePoint
DHCM/OPERATIONS	Annually	Member Handbook	August 1	D,17	ACOM Policy 406	ACOM Policy 406, Attachment A	SharePoint
DHCM/OPERATIONS	Annually	Member Handbook (Final Approved Version)	On or before the start of the contract year	D,17	ACOM Policy 406	ACOM Policy 406, Attachment A	SharePoint
DHCM/OPERATIONS	Annually	**Member Information Attestation Statement	45 days after the start of the Contract Year	D,17	ACOM Policy 404	ACOM Policy 404, Attachment C	SharePoint (Submit one deliverable for all lines of business under the ACC Contract in SharePoint)
DHCM/OPERATIONS	Annually	PBM Subcontract	April 1	D,36	N/A	N/A	SharePoint

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Area	Timeframe	Report	When Due	Contract Section, Paragraph	Reference/Policy	Checklist-Template-Reporting Form	Submitted Via
DHCM/OPERATIONS	Annually	**Social Networking Attestation and Applications Listing with URLs	Within 90 days of the start of the Contract Year	D,17	ACOM Policy 425	ACOM Policy 425, Attachment A	SharePoint
DHCM/OPERATIONS	Annually	**Tribal Coordinator Report	November 1	D,23	N/A	N/A	SharePoint
DHCM/OPERATIONS	Annually	**Website Certification	45 days after the start of the Contract Year	D,17	ACOM Policy 404	ACOM Policy 404, Attachment B	SharePoint (Submit one deliverable for all lines of business under the ACC Contract in SharePoint)
DHCM/OPERATIONS	Monthly	Claims Dashboard	15 th day of the month following the reporting period	D,37	AHCCCS Claims Dashboard Reporting Guide	N/A	SharePoint

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Area	Timeframe	Report	When Due	Contract Section, Paragraph	Reference/Policy	Checklist-Template-Reporting Form	Submitted Via
DHCM/OPERATIONS	Monthly	DCS and Adopted Children Services Reporting: Calls and Emails	30 th day after the reporting month	D,9	ACOM Policy 449	ACOM Policy 449, Attachment B	SharePoint
DHCM/OPERATIONS	Monthly	**Corrected Pended Encounter Data	Monthly, according to established schedule	D,60	AHCCS Encounter Manual	N/A	FTP server
DHCM/OPERATIONS	Monthly	Grievance and Appeal System Report	First day of the 2 nd month following the month being reported	D,25	AHCCS Grievance and Appeal System Reporting Guide	N/A	SharePoint

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Area	Timeframe	Report	When Due	Contract Section, Paragraph	Reference/Policy	Checklist-Template-Reporting Form	Submitted Via
DHCM/OPERATIONS	Monthly	**New Day Encounter	Monthly, according to established schedule	D,60	AHCCS Encounter Manual	N/A	FTP Server
DHCM/OPERATIONS	Quarterly	DCS and Adopted Children Services Reporting: Access to Services	15 days after the end of each quarter	D,9	ACOM Policy 449	ACOM Policy 449, Attachment A	SharePoint
DHCM/OPERATIONS	Quarterly	**Encounter Submission and Tracking	15 days after the end of each quarter	D,60	AHCCS Encounter Manual	N/A	FTP server

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Area	Timeframe	Report	When Due	Contract Section, Paragraph	Reference/Policy	Checklist-Template-Reporting Form	Submitted Via
DHCM/OPE RATIONS	Quarterly	Facility and Member Placement Report	15 days after the end of each quarter	D,28	ACOM Policy 415	ACOM Policy 415, Attachment G	SharePoint
DHCM/OPE RATIONS	Quarterly	**Plan Overrides	15 days after the end of each quarter	D,60	AHCCCS Encounter Manual	https://www.azahcccs.gov/PlansProviders/HealthPlans/encounters.html	FTP server
DHCM/OPE RATIONS	Quarterly	**Plan Voids	15 days after the end of each quarter	D,61	AHCCCS Encounter Manual	N/A	FTP server

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Area	Timeframe	Report	When Due	Contract Section, Paragraph	Reference/Policy	Checklist-Template-Reporting Form	Submitted Via
DHCM/OPERATIONS	Quarterly	Telephone Performance Measures	15 th day of the month following the reporting quarter	D,24	ACOM Policy 435	ACOM Policy 435, Attachment A	SharePoint
DHCM/OPERATIONS	Semi-Annually	**Member Newsletter	30 days prior to intended publication date	D,17	ACOM Policy 404	N/A	SharePoint (Submit one deliverable for all lines of business under the ACC Contract in SharePoint)
DHCM/QUALITY IMPROVEMENT	Ad Hoc	Accreditation Status – Receipt, Renewal, or Loss	Within 15 calendar days of notification or receipt	D,22	N/A	N/A	SharePoint

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Area	Timeframe	Report	When Due	Contract Section, Paragraph	Reference/Policy	Checklist-Template-Reporting Form	Submitted Via
DHCM/QUALITY IMPROVEMENT	Ad Hoc	AHCCCS-Mandated RBHA Integrated & GMH/SU PIP Report Updates	As requested by AHCCCS	D,22	AMPM Policy 980	AMPM Policy 980, Attachment D - Unless otherwise directed by AHCCCS. Submit a report for each applicable PIP during the reporting period.	SharePoint
DHCM/QUALITY IMPROVEMENT	Ad Hoc	Contractor Self-Selected RBHA Integrated & GMH/SU PIP Report Updates	As requested by AHCCCS	D,22	AMPM Policy 980	AMPM Policy 980, Attachment D - Unless otherwise directed by AHCCCS. Submit a report for each applicable PIP during the reporting period.	SharePoint

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DHCM/QUALITY IMPROVEMENT	Ad Hoc	Immunization Audit	As requested by AHCCCS	D,22	AMPM Policy 430	Reporting Form as provided by DHCM, Quality Improvement Manager	FTP Server with Email Notification to DHCM Quality Improvement Manager
DHCM/QUALITY IMPROVEMENT	Ad Hoc	**Physician Incentives: Contractor-Selected and/or Developed Pay for Performance Initiative	Prior approval required	D,41	N/A	N/A	SharePoint

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Area	Timeframe	Report	When Due	Contract Section, Paragraph	Reference/Policy	Checklist-Template-Reporting Form	Submitted Via
DHCM/QUALITY IMPROVEMENT	Annually	AHCCCS-Mandated RBHA Integrated GMH/SU PIP Reports (All Applicable PIPs Reflective of Baseline or Remeasurement Years)	March 1	D,22	AMPM Policy 980	AMPM Policy 980, Attachment D - Submit a report for each applicable PIP within its Baseline, Intervention, or Remeasurement reporting year during the reporting period.	SharePoint
DHCM/QUALITY IMPROVEMENT	Annually	AHCCCS-Mandated RBHA Integrated & GMH/SU PIP Reports - Final	Within 60 calendar days of notification from AHCCCS	D,22	AMPM Policy 980	AMPM Policy 980, Attachment D - Submit a Final report for each applicable PIP following notification of PIP closure from AHCCCS.	SharePoint
DHCM/QUALITY IMPROVEMENT	Quarterly	Performance Measure Monitoring Report	15 days after the end of each quarter	D,22	AMPM Policy 920	AMPM Appendix B	SharePoint

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Area	Timeframe	Report	When Due	Contract Section, Paragraph	Reference/Policy	Checklist-Template-Reporting Form	Submitted Via
DHCM/QUALITY IMPROVEMENT	Annually	Contractor Self-Selected RBHA Integrated GMH/SU PIP Reports - Baseline or Remeasurement	March 1	D,22	AMPM Policy 980	AMPM Policy 980, Attachment D - Submit a report for each applicable PIP within its Baseline, Intervention, or Remeasurement reporting year during the reporting period.	SharePoint
DHCM/QUALITY IMPROVEMENT	Annually	Contractor Self-Selected RBHA Integrated & GMH/SU PIP Reports - Final	Within 60 calendar days of completion	D,22	AMPM Policy 980	AMPM Policy 980, Attachment D - Submit a Final report for each applicable PIP following finalization of data and PIP closure.	SharePoint
DHCM/QUALITY IMPROVEMENT	Annually	QM/PI Program Plan	December 15	D,22	AMPM Policy 950; AMPM Policy 920	AMPM Policy 920, Attachment A	SharePoint

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Area	Timeframe	Report	When Due	Contract Section, Paragraph	Reference/Policy	Checklist-Template-Reporting Form	Submitted Via
DHCM/QUALITY IMPROVEMENT	Annually	QM/PI Program Work Plan Evaluation - Submission to include updated Work Plan, if revisions are needed based on the Contractor's evaluation findings	March 15	D,22	AMPM Policy 950, AMPM Policy 920	AMPM Policy 920, Attachment A	SharePoint
DHCM/QUALITY MANAGEMENT	Ad Hoc	Actions Reported to the National Provider Data Bank (NPDB) or a Regulatory Board	Within one business day of decision for formal action to be taken in accordance with AMPM Chapter 900 requirements	D,22	AMPM Policy 960	N/A	Secure Email to DHCM Quality Management Manager and QM Supervisor with cc to DHCM Clinical Administrator

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Area	Timeframe	Report	When Due	Contract Section, Paragraph	Reference/Policy	Checklist-Template-Reporting Form	Submitted Via
DHCM/QUALITY MANAGEMENT	Ad Hoc	Adverse Action Reporting (Including Limitations and Terminations) of Decision for Formal Action to be Taken in Accordance with AMPM Chapter 900 Requirements	Within 24 hours of awareness	D,22	AMPM Policy 960	N/A	Secure Email to DHCM Quality Management Manager and QM Supervisor with cc to DHCM Clinical Administrator
DHCM/QUALITY MANAGEMENT	Ad Hoc	Advisement of Significant Incidents, Accidents, and Deaths	Within 24 hours of awareness	D,22	AMPM Policy 961	N/A	Secure Email to DHCM Quality Management Manager and QM Supervisor with cc to DHCM Clinical Administrator
DHCM/QUALITY MANAGEMENT	Ad Hoc	Credentialing and Re-Credentialing Denials	Within one business day	D,22	AMPM Policy 950	N/A	Secure Email to DHCM Quality Management Manager and QM Supervisor

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Area	Timeframe	Report	When Due	Contract Section, Paragraph	Reference/Policy	Checklist-Template-Reporting Form	Submitted Via
DHCM/QUALITY MANAGEMENT	Ad Hoc	Incident, Accident, and Death Reports for Members within Specified Timeframes into the AHCCCS QM Portal; Additionally, Significant and/or Potential Media-Coverage IADs must also be Sent Directly to Quality Management Staff as soon as the Contractor is Aware of the Issue	Within one day of awareness	D,22	AMPM Policy 961	N/A	AHCCCS QM Portal and email notification to Quality Management Manager and QM Supervisor with cc to DHCM Clinical Administrator as appropriate (significant and/or potential media cases)

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DHCM/QUALITY MANAGEMENT	Ad Hoc	QOC Resolution Report	Within 72 hours of completion	D,22	N/A	N/A	AHCCCS QM Portal with QM Portal notification to assigned DHCM QM Coordinator
DHCM/QUALITY MANAGEMENT	Ad Hoc	S&R Individual Reports Concerning All Enrolled Individuals	Within three days of Contractor receipt	D,22	AMPM Policy 962	AMPM Policy 962, Attachment A	AHCCCS QM Portal
DHCM/QUALITY MANAGEMENT	Annually	**Contractor Monitoring Summary	December 15	D,22	AMPM Policy 910	N/A	SharePoint
DHCM/QUALITY MANAGEMENT	Quarterly	Credentialing Report	30 days after the end of each quarter	D,22	AMPM Policy 950	AMPM Policy 950, Exhibit 950-1	SharePoint

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Area	Timeframe	Report	When Due	Contract Section, Paragraph	Reference/Policy	Checklist-Template-Reporting Form	Submitted Via
DHCM/QUALITY MANAGEMENT	Quarterly	HCAC and OPPC	45 days after quarter end	D,22	AMPM Policy 960	AMPM Policy 960, Attachment B	SharePoint
DHCM/QUALITY MANAGEMENT	Quarterly	IRR Metrics and Evidence of Completed IRR Activities	45 days after the end of each quarter	D,22	N/A	N/A	SharePoint
DHCM/QUALITY MANAGEMENT	Quarterly	QM Report	45 days after the end of each quarter	D,22	AMPM Policy 960	AMPM Policy 960, Attachment A	SharePoint
DHCM/SYSTEM OF CARE	Ad Hoc	BH Clinical Chart Audit Methodology	60 days prior to implemented changes in methodology	D,22	AMPM Policy 940	N/A	SharePoint
DHCM/SYSTEM OF CARE	Ad Hoc	**Out of State Placement Initial Notification	Prior to placement or upon notification of placement	D,23	AMPM Policy 450	N/A	AHCCCS QM Portal

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Area	Timeframe	Report	When Due	Contract Section, Paragraph	Reference/Policy	Checklist-Template-Reporting Form	Submitted Via
DHCM/SYSTEM OF CARE	Ad Hoc	**Out of State Placement Progress Update	Every 30 days following initial placement	D,23	AMPM Policy 450	N/A	AHCCCS QM Portal
DHCM/SYSTEM OF CARE	Ad Hoc	**Performance Improvement Plans for System of Care Based on SOCPR Findings	30 days after agency receives feedback as result of review	D,9	N/A	N/A	SharePoint
DHCM/SYSTEM OF CARE	Annually	ABHTH Placement Medical Necessity Criteria	December 15	D, 9	AMPM Policy 320-X	N/A	SharePoint
DHCM/SYSTEM OF CARE	Annually	**Behavioral Health Residential Facility Medical Necessity Criteria	December 15	D,9C	AMPM Policy 320-V	N/A	SharePoint

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Area	Timeframe	Report	When Due	Contract Section, Paragraph	Reference/Policy	Checklist-Template-Reporting Form	Submitted Via
DHCM/SYSTEM OF CARE	Annually	**Case Management Plan	December 15	D, 11	N/A	N/A	SharePoint
DHCM/SYSTEM OF CARE	Annually	**Copy of each Collaborative Protocol and MOU with System Stakeholders	December 31	D,23	N/A	N/A	SharePoint
DHCM/SYSTEM OF CARE	Annually	Fidelity Review Report	January 15	D, 11	N/A	N/A	SharePoint (Combine Non-Title XIX/XXI Contract Deliverable with Title XIX/XXI Contract Deliverable and submit under the Title XIX/XXI RBHA Deliverable in SharePoint)
DHCM/SYSTEM OF CARE	Annually	TFC Placement Medical Necessity Criteria	December 15	D, 9	AMPM Policy 320-W	N/A	SharePoint

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Area	Timeframe	Report	When Due	Contract Section, Paragraph	Reference/Policy	Checklist-Template-Reporting Form	Submitted Via
DHCM/SYSTEM OF CARE	Monthly	AzSH Monitoring Report	15th of the month	D, 11	AMPM Policy 1020	AMPM Policy 1020, Attachment H	SharePoint
DHCM/SYSTEM OF CARE	Monthly	DCS Children Standard Work – Shelter Status Report	30th of the month	D,9	N/A	Reporting Form as provided by DHCM, System of Care Implementation Manager	SharePoint
DHCM/SYSTEM OF CARE	Monthly	**Outpatient Commitment COT Monitoring	15 days after month end	D,23	AMPM Policy 320-U	Reporting Form as Provided by DHCM, Medical Management Manager	SharePoint (Submit one deliverable for all lines of business under the ACC Contract in SharePoint)
DHCM/SYSTEM OF CARE	Monthly	**Psychiatric Security Review Board (PSRB)/Guilty Except Insane (GEI) Conditional Release Report	5 th day of the following month	D,23	AMPM Policy 1020	AMPM Policy 1020, Attachment A	SharePoint

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Area	Timeframe	Report	When Due	Contract Section, Paragraph	Reference/Policy	Checklist-Template-Reporting Form	Submitted Via
DHCM/SYSTEM OF CARE	Quarterly	Behavior Analysis Benefit Report	15 days after the end of each quarter	D,11	N/A	N/A	SharePoint
DHCM/SYSTEM OF CARE	Quarterly	**Behavioral Health Services for School-Aged Children	30 days after quarter end	D,50	N/A	Reporting Form as provided by DHCM, System of Care, Implementation Manager	SharePoint
DHCM/SYSTEM OF CARE	Quarterly	Behavioral Health Utilization & Timeframes for CMDP Members	45 days after the end of each quarter	D,11	N/A	Reporting Form as provided by DHCM, System of Care Implementation Manager	SharePoint
DHCM/SYSTEM OF CARE	Quarterly	DCS Children Standard Work – High Number of Placements Report	30 days after the end of each quarter	D,9	N/A	Reporting Form as provided by DHCM, System of Care Implementation Manager	SharePoint

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Area	Timeframe	Report	When Due	Contract Section, Paragraph	Reference/Policy	Checklist-Template-Reporting Form	Submitted Via
DHCM/SYSTEM OF CARE	Semi-Annually	BH Clinical Chart Audit Findings and Summary Report	April 15 October 15	D,22	AMPM Policy 940	Reporting Form as provided by DHCM, Clinical Quality Project Manager	SharePoint
DMPS/MEMBER CONTACT AND DATA UNIT	Ad Hoc	AHCCCS Notification to Waive Medicare Part D Co-Payments	Immediately upon identification	D,56	ACOM Policy 201	ACOM Policy 201, Attachment A	Email to: mcdumemberescalations@azahcccs.gov

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Area	Timeframe	Report	When Due	Contract Section, Paragraph	Reference/Policy	Checklist-Template-Reporting Form	Submitted Via
OALS	Ad Hoc	Change in Contractor Organizational Structure: Disclosure of Ownership and Control and Disclosure of Information on Persons Convicted of a Crime Information	No later than 35 days after any change	D,58	ACOM Policy 103; ACOM Policy 317	ACOM Policy 103, Attachment A and Attachment A1	SharePoint
OALS	Ad Hoc	State Fair Hearing Request Documentation : Claim Dispute Request	No later than five business days from receipt of the hearing request	F,Att F2	ACOM Policy 445	ACOM Policy 445, Attachment A	FTP server

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Area	Timeframe	Report	When Due	Contract Section, Paragraph	Reference/Policy	Checklist-Template-Reporting Form	Submitted Via
OALS	Ad Hoc	State Fair Hearing Request Documentation : Expedited Member Appeal Request	No later than one business day from receipt of the expedited hearing request	F,Att F1	ACOM Policy 445	ACOM Policy 445, Attachment A	FTP server
OALS	Ad Hoc	State Fair Hearing Request Documentation : Standard Member Appeal Request	No later than five business days from receipt of the hearing request	F,Att F1	ACOM Policy 445	ACOM Policy 445, Attachment A	FTP server

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Area	Timeframe	Report	When Due	Contract Section, Paragraph	Reference/Policy	Checklist-Template-Reporting Form	Submitted Via
OALS	Annually	Disclosure Information: Disclosure of Ownership and Control and Disclosure of Information on Persons Convicted of a Crime including Attestation	October 1	D,58	ACOM Policy 103	ACOM Policy 103; Attachment A and Attachment A1	SharePoint
OALS	Quarterly	Non-Title XIX/XXI and SMI Grievance and Appeal Report	30 days after quarter end	D,25	ACOM Policy 444; ACOM Policy 446	Reporting Form as provided by BHGA, Unit Administrator	SharePoint (Combine Non-Title XIX/XXI Contract Deliverable with Title XIX/XXI Contract Deliverable and submit under the Title XIX/XXI RBHA Deliverable in SharePoint)

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Area	Timeframe	Report	When Due	Contract Section, Paragraph	Reference/Policy	Checklist-Template-Reporting Form	Submitted Via
ODA	Ad Hoc	**Corporate Compliance: CMS Compliance Issues Related to HIPAA Transaction and Code Set Complaints or Sanction	Immediately upon discovery	D,58	N/A	N/A	SharePoint
ODA	Ad Hoc	IMD Placement Exceeding 15 Days	Within one business day of identification	D,9	ACOM Policy 109	ACOM Policy 109, Attachment A	Email to: IMDPlacement@azahcccs.gov
ODA	Annually	**AHCCCS Security Rule Compliance Report	June 1	D,60	ACOM Policy 108	N/A	FTP server

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Area	Timeframe	Report	When Due	Contract Section, Paragraph	Reference/Policy	Checklist-Template-Reporting Form	Submitted Via
OIG	Ad Hoc	Corporate Compliance: Exclusions Identified Regarding Persons Convicted of a Crime	Immediately upon discovery	D,58	ACOM Policy 103	N/A	SharePoint
OIG	Ad Hoc	Corporate Compliance: External Auditing Schedule-Changes	Within 7 days of change	D,58	ACOM Policy 103	N/A	SharePoint
OIG	Ad Hoc	Recovered Overpayment	Within 10 days of recovered overpayment	D,58	ACOM Policy 103	N/A	SharePoint

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Area	Timeframe	Report	When Due	Contract Section, Paragraph	Reference/Policy	Checklist-Template-Reporting Form	Submitted Via
OIG	Ad Hoc	Report of Alleged Fraud, Waste, Abuse of the AHCCCS Program	Within 10 calendar days	D,58	ACOM Policy 103	N/A	AHCCCS Website: www.azahcccs.gov/Fraud/ReportFraud/
OIG	Ad Hoc	Transactions Between the Contractor and a Party in Interest	Within seven business days	D,58	ACOM Policy 103	ACOM Policy 103, Attachment A and Attachment A1	SharePoint
OIG	Annually	Corporate Compliance Plan	15 days after the start of the Contract Year	D,58	ACOM Policy 103	ACOM Policy 103, Attachment B	SharePoint
OIG	Semi-Annually	Corporate Compliance: Audit Report	January 15; July 15	D,58	ACOM Policy 103	N/A	SharePoint

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Area	Timeframe	Report	When Due	Contract Section, Paragraph	Reference/Policy	Checklist-Template-Reporting Form	Submitted Via
OIG	Semi-Annually	Corporate Compliance: External Audit Plan/Schedule	November 1; May 1	D,58	ACOM Policy 103	ACOM Policy 103, Attachment C	SharePoint

[END OF ATTACHMENT F3: CONTRACTOR CHART OF DELIVERABLES]

[END OF SECTION F: ATTACHMENTS]