AHCCCS Housing and Health Opportunities (H2O) Implementation Plan

April 2024

Table of Contents

Strategic Approach to Implementing Demonstration Policies - (STC 83)

Background

The involvement of Arizona's Behavioral Health System in addressing the housing needs of Arizonans began in 1989 with the *Arnold v. Sarn* lawsuit settlement, which required the State of Arizona to provide a combination of supportive housing, supported employment, and other community services to individuals living with a Serious Mental Illness (SMI) designation. In 2014, the State's requirements expanded to include an increase in the number of individuals receiving supportive housing and to adopt national quality standards outlined by the Substance Abuse and Mental Health Services Administration (SAMHSA). In 2016, the oversight and administration of housing and services for persons living with an SMI designation was transferred to the Arizona Health Care Cost Containment System (AHCCCS) from the Arizona Department of Health Services (ADHS) in an effort to integrate the service delivery system.

To accomplish these housing goals and requirements, AHCCCS uses a general fund allocation of non-TXIX state-only funds to issue housing vouchers for as many people as possible under the fund source. If AHCCCS were a housing authority, it would be the third largest in the State of Arizona with an annual budget of $27.7 million in non-Medicaid, state-only funds to provide rent subsidies for almost 2,500 AHCCCS members living with an SMI designation.

AHCCCS' current housing programs follow a permanent supportive housing (PSH) model, an evidence based, cost effective strategy for addressing and improving health outcomes for persons experiencing homelessness. AHCCCS also collaborates with local housing authorities, tax credit programs, and the U.S. Department of Housing and Urban Development Continuum of Care (HUD CoC) program to provide PSH capacity for an additional 1,500 members.

While housing subsidies are central to PSH, another critical element is the integration of individualized wraparound services and housing/tenancy supports to ensure members are able to secure and maintain housing while addressing their core health and service needs. Under current AHCCCS policies, many key PSH wrap-around services are Medicaid reimbursable for persons living with an SMI designation or with behavioral health and/or substance use disorder needs.

Strategic Approach

As described in the [Protocol for Assessment of Beneficiary Eligibility and Needs, and Provider Qualifications for H2O Services](#), AHCCCS plans to begin implementation with the most acute member population, inclusive of members who are experiencing homelessness, are living with an SMI designation, and are living with an active chronic health condition or are currently in a correctional facility. AHCCCS plans to leverage previous experiences and existing infrastructure as a starting place to implement the approved H2O services through a structured, phased-in approach.

AHCCCS has utilization, waitlist, and demographic data on the unmet housing needs of the H2O eligible population. The approved H2O services provide an opportunity for the State of Arizona to expand many of these activities, infuse much needed resources into the existing provider community, and integrate new providers such as Community-Based Organizations (CBOs) and localities into the agency's network

to expand the program's reach and ability to serve these members. AHCCCS will braid H2O funding into existing systems, and stand up new programming and providers to fill the existing gaps.

AHCCCS also recognizes a need to integrate new partners into the State's housing infrastructure. AHCCCS will utilize a third party administrator (TPA), known as the H2O Program Administrator (H2O-PA) to assist with successful program implementation, maintenance, and administration of the H2O program. As proposed, the H2O-PA will support AHCCCS in increasing provider enrollment for CBOs addressing Health Related Social Needs (HRSNs), verify member eligibility for H2O services following AHCCCS guidelines, coordinate H2O services with the Managed Care Organizations (MCOs) and providers, develop a streamlined process for H2O-providers to submit actions for reimbursement and ensure compatibility with Medicaid claims, monitor and track H2O service utilization data, and provide technical assistance to H2O-providers based on established AHCCCS policies. The H2O-PA will be procured over the next year to meet the planned October 1, 2024 go-live date for the H2O program.

All of the strategic approaches described above and throughout this document have been discussed and thoroughly vetted by the community of stakeholders in Arizona. Since the October 14, 2022 waiver approval, AHCCCS has engaged in three separate rounds of stakeholder engagement, holding workgroups specific to MCOs, providers, CBOs, tribes, and members. Decisions described in this document have been discussed with these partners, with consensus between these groups being paramount to the agency's decision to move forward with any of these program structures.

Once AHCCCS' proposed implementation plan is submitted to CMS, AHCCCS will move to update agency medical and contract policy manuals, and will update contractual requirements for MCOs consistent with approved implementation strategies. Updated policies, contracts, new provider types and provider requirements, H2O-PA requirements, and H2O member eligibility standards will be established and implemented consistent with the planned October 1, 2024, go-live date.

After initial implementation, AHCCCS plans to continue phasing-in the H2O program based on available resources and presenting members' needs. Eventually, the goal is to expand H2O resources to additional enrolled members, identified with high health care needs who are presenting as homeless or at risk of homelessness, including approved housing supports and necessary wraparound services. AHCCCS will use available data to identify additional populations that can benefit from H2O services, determine if community capacity exists to meet these needs, and analyze program improvements that need to be made through the administration of the H2O program. Furthermore, AHCCCS will host community meetings with Medicaid beneficiaries to identify potential barriers to H2O participation and use their feedback to inform decisions about the design, implementation, monitoring, and evaluation of the H2O initiative. AHCCCS anticipates hosting annual meetings to gather this information.

Plan for Establishing and/or Improving Data Sharing and Partnerships - STC 83 (a)

A key aspect of AHCCCS' approach to improving care coordination for members experiencing homelessness includes establishing statewide data sharing across multiple systems and affiliated organizations. Arizona has three Continuums of Care (CoC) that serve Maricopa County, Pima County, and the remaining 13 counties known as the Balance of State. AHCCCS currently has a process for sharing limited data from Arizona's three Homeless CoCs with the MCOs. Additionally, AHCCCS

participates in a workgroup with the Arizona Department of Housing (ADOH) and representatives from the three CoCs to build a large-scale data sharing infrastructure for a statewide data warehouse that will include data from Arizona's three Homeless Management Information Systems (HMIS) and AHCCCS member data for members that have signed an information release form. AHCCCS has also implemented a statewide Closed-Loop Referral System (CLRS) to allow health care providers to screen members for HRSNs and refer them to local community organizations for assistance.

International Classification of Diseases (ICD)-10 HRSN Z Code utilization will be an integral part of identifying members with HRSN needs. However, AHCCCS is aware that the current utilization of HRSN Z Codes for housing instability is highly underutilized and does not fully capture the number of Medicaid members who are experiencing homelessness. Until HRSN Z Code utilization rises to a point of data reliability, utilizing the additional data from HMIS will be essential when trying to identify Medicaid members who are experiencing homelessness and are eligible for H2O services. Additionally, the HMIS data can be used to identify members who receive housing assistance through alternative fund sources or those who return to homelessness after being housed through H2O services. AHCCCS will continually identify ways HMIS data integration can support monitoring and evaluation of member outcomes throughout the demonstration period.

Data Sharing Agreements and Data Matching with the CoCs for HMIS Data

AHCCCS holds data sharing agreements directly with the Maricopa County CoC and the Balance of State CoC to receive HMIS data on AHCCCS members experiencing homelessness. AHCCCS is working with the remaining CoC in Pima County to receive HMIS data which will result in receiving data from all three CoCs in the State of Arizona. The data sharing agreements have resulted in AHCCCS identifying thousands of members experiencing homelessness and connecting them quickly to follow-up and wraparound care. AHCCCS' process for data matching is as follows:

- Through a Business Associate Agreement (BAA) AHCCCS grants permission to the HMIS lead agency to access that population's information,
- The CoC grants permission to the HMIS lead agency through Board approval to access that population's HMIS Information,
- The HMIS lead agency generates a report from the HMIS system with the identifying information on the population (typically filtering a By Name Homeless list),
- The HMIS lead agency utilizes an AHCCCS-approved data clearinghouse in order to data match HMIS Information to AHCCCS eligibility information,
- If needed, the HMIS lead agency will also use AHCCCS Online and AHCCCS' Prepaid Medical Management Information System (PMMIS) to do a manual review if the eligibility clearinghouse indicates conflicting information,
- The HMIS lead agency downloads matching information and uses a business intelligence tool to link the AHCCCS information to the HMIS Information,
- The data is distributed to parties under the permissions granted by AHCCCS and the CoC,
- The member's MCO works to reach out to the member to connect them to care, and
- AHCCCS uses the report to identify members experiencing homelessness who are missing HRSN Z Codes.

Integration of Data from Arizona's HMIS via the Data Warehouse Enterprise for Linkage Arizona (DWEL AZ)

AHCCCS is currently developing statewide data sharing infrastructure to house and share information from Arizona's three HMIS along with limited health care information to improve care coordination for members experiencing homelessness, known as DWEL. This project is led by a collaboration between the HMIS CoCs, ADOH, AHCCCS, Arizona's statewide crisis provider, the Arizona Department of Economic Security (ADES), community stakeholder leaders from homeless shelters and human service providers, as well as members with lived experience. The goal of building the shared data warehouse is to improve the provision of care for members, increase timely access to services, reduce the duplication of services, improve access to and utilization of resources, increase data quality, and increase communication among organizations serving members experiencing homelessness. A critical aspect of the project includes utilizing a Member Release of Information Form that will be signed by the member and will give permission to send their data to the data warehouse for care coordination. Establishing data sharing agreements with participating organizations is another critical aspect of the project. DWEL is scheduled to go live in 2024 and will include a user interface for front line staff at homeless shelters to view information including the member's MCO as well as limited information to note if the member has had a recent hospitalization, engaged crisis services, visited an emergency department, received inpatient care, or had a child within the last year. Being able to view limited service utilization will help front line staff identify if the member needs any follow up care or wraparound support that can be provided through H2O.

Connecting Arizona's Tribal Regional Behavioral Health Authorities

AHCCCS currently requires HMIS access and utilization for all housing staff at the MCOs. AHCCCS is leading an initiative to standardize MCO utilization and expectations in HMIS as well as standardized access to reporting granted by the CoCs. Additionally, AHCCCS will be working to get HMIS access to the Tribal Regional Behavioral Health Authorities (TRBHAs) for American Indian members.

Statewide Closed-Loop Referral System

Another approach AHCCCS is taking to improve data sharing throughout the State of Arizona includes the statewide CLRS, known as CommunityCares. The system is available to all AHCCCS providers and CBOs at no cost and is designed to allow health care providers to quickly and easily screen members for HRSN. The system has the Protocol for Responding to & Assessing Patients' Assets, Risks & Experiences (PRAPARE) tool preloaded to assess for HRSN, and has the capability to accept other evidence-based HRSN screening tools used by providers across the State of Arizona. CommunityCares went live in November 2022 and is increasing the number of participants throughout the State of Arizona. CommunityCares will be an additional tool for front-line workers to connect members to H2O services.

Key Partnerships Related to Health-Related Social Needs (HRSN) Service Delivery - STC 83(b)

AHCCCS is an active partner with providers and community organizations across the state who are focused on addressing HRSN. These organizations include the statewide Health Information Exchange (HIE), statewide CLRS vendor, statewide crisis provider, homeless shelters throughout Arizona, statewide Housing Administrator, other state agencies, county and city housing authorities and governing bodies, providers, members, advocacy organizations, associations, and MCOs. AHCCCS has provided information about H2O services that will become available in October 2024 to these organizations and will continue to provide updates and education throughout the development and

implementation of the H2O program. AHCCCS plans to release information to partners incrementally, and the H2O-PA will play a vital role in assisting AHCCCS to establish a well trained network of providers and community partners that will implement the H2O program.

Gathering feedback from members, providers, MCOs, and community stakeholders has been essential as AHCCCS has developed the implementation strategy, and will continue to be essential during H2O implementation. AHCCCS will continue to engage with, and involve, the following groups in decision making as new services and policies are developed related to H2O.

Managed Care Organizations (MCOs)

AHCCCS has long been a leader in health care innovation, serving its members through the creative and effective use of managed care delivery systems. Throughout that time, AHCCCS has learned that, just as populations change, a Medicaid managed care program is most effective when it continually evolves and innovates, and AHCCCS views implementation of HRSN services, specifically the H2O program, as the next innovation that will improve member care and health outcomes by taking steps to effectively treat the whole person. With H2O, AHCCCS strives to build upon past successes to improve health outcomes for its members and ensures its long-term sustainability.

Beginning in the state fiscal year 2024, AHCCCS MCOs will be contractually required to address HRSN using the statewide CLRS, known as CommunityCares. The MCOs will also be responsible for increasing provider utilization of CommunityCares. Care Management staff providing one-on-one care management for AHCCCS members will be required to use CommunityCares to screen and refer members on their caseload. Providers and staff using CommunityCares are able to use any screening tool they like as long as it screens for homelessness/housing instability, food insecurity, transportation assistance, employment instability, utility assistance, interpersonal safety, justice/legal involvement, and social isolation/social support. If an MCO or provider is not yet enrolled with CommunityCares, they will be required to maintain a publicly available Community Resource Guide with information on local resources that address and provide support for health-related social needs. The Community Resource Guide will be updated annually and available on the MCO's website. The resources provided in the Community Resource Guide must be focused on the needs and geographic area of the MCO's member population.

As AHCCCS moves forward with H2O program implementation, MCO contracts and responsibilities will continue to evolve. Requirements to effectively coordinate care with their assigned members' existing care team, the H2O-PA, and any new providers that enter the member's care team as a result of participation in H2O will be included in the contracts beginning October 1, 2024. AHCCCS will leverage the relationship between the MCOs and the H2O-PA to ensure appropriate care coordination is occurring, warm handoffs are happening where necessary, and that no duplication of benefits are occurring.

Community Based Organizations (CBOs)

Over the next year, AHCCCS will build a diverse network of H2O service providers based on the existing relationships throughout the State of Arizona. Entities that comprise the H2O service provider network

will include existing Medicaid providers, but will also include many CBOs with no previous experience billing Medicaid for services. A successful partnership with these CBOs will be essential to the successful implementation of the H2O program.

Engagement with CBOs to date has been a major source of information that helped shape many of the proposed implementation strategies, including the idea of the H2O-PA. As described by these partners, consistent, time sensitive, and targeted training will be necessary to ensure standardized and quality implementation of the proposed H2O program. Additionally, it is essential AHCCCS establishes a structure for CBOs to have a single point of contact through the H2O-PA for contracting and billing to ensure they have the capacity to serve all AHCCCS members across the State of Arizona, rather than requiring them to contract with multiple MCOs. The H2O-PA will assist CBOs in complying with all applicable Medicaid billing processes and practices.

AHCCCS has partnered with Corporation for Supportive Housing (CSH) to conduct a survey with CBOs in rural areas in order to understand the number and types of CBOs across the State of Arizona, clearly understand their unique challenges and needs when it comes to onboarding as a Medicaid provider and meeting provider qualifications for H2O services. AHCCCS will use the results to inform the H2O-PA Request for Proposal (RFP) and work to ensure the H2O-PA services are specifically designed to meet the unique needs of CBOs. AHCCCS will continue to engage with and learn from these CBO partners throughout the implementation planning process.

Existing Medicaid Providers

In addition to CBOs, existing Medicaid providers will be paramount to successful implementation, especially related to the tenancy and pre-tenancy wraparound services. AHCCCS has an established network of integrated and behavioral health providers, health homes, who are familiar with delivering these kinds of wraparound services and supports to members living with an SMI designation and connecting them with existing HRSN resources.

Currently, health home providers are responsible for the coordination and provision of covered behavioral and physical health services. This includes a range of recovery focused services such as assessment, diagnostics, treatment planning, medication services, medical management, case management, transportation, peer and family support services, counseling, health and wellness groups, Supported Employment (SE), Assertive Community Treatment (ACT), and care coordination to ensure continuity of care with the member's Primary Care Provider (PCP). Additionally, the health home providers ensure follow-up and continuing care post-crisis engagement. AHCCCS Complete Care, Regional Behavioral Health Agreement (ACC-RBHA) contracts require that contractors identify and assign health homes for individuals living with an SMI designation within five days of enrollment with the contractor. Under the ACC-RBHA model, health homes are responsible for provision of whole-person care to members.

Health homes are responsible for ensuring that members are connected to all necessary services and supports, regardless of whether it is a Medicaid funded service. This includes connection to natural and community resources that can address HRSN, such as food, clothing, and housing. Once a member has been connected to a health home, they act as the responsible entity for ensuring that the member's

needs are thoroughly assessed and that the member's treatment plan is responsive to all identified needs.

Throughout the initial phase of H2O implementation, AHCCCS will work with the H2O-PA, MCOs, CBOs, and individual providers to build a network that has capacity to meet the provider qualifications described in the [Protocol for Assessment of Beneficiary Eligibility and Needs and Provider Qualifications for H2O Services](#), and one that can serve additional populations that will be included in future phases of implementation.

While the MCO and health home arrangement described above meets the needs of about 90% of the AHCCCS population, the remaining 10% of the Medicaid population, primarily the State's American Indian/Alaska Native (AI/AN) population is served through the American Indian Health Program (AIHP). AIHP functions differently than MCOs, wherein AIHP members can receive services from any AHCCCS-registered provider. Accordingly, they are not assigned a health home and the responsibility for care coordination lies on the Fee-For-Service (FFS) providers, except when the member is enrolled with a TRBHA or the member has voluntarily chosen to be empaneled with an American Indian Medical Home (AIMH).

For members who are enrolled with a TRBHA for their behavioral health assignment, the TRBHA is responsible for case management and care coordination as outlined in the Intergovernmental Agreements (IGAs). When available, AIHP members have the opportunity to become empaneled with an IHS/Tribal 638 facility that has met the criteria to become an AIMH for primary care case management and care coordination. In general, the majority of AIHP members receive their health care services at an IHS/Tribal 638 facility. FFS providers, including IHS/Tribal 638 facilities and AIMHs, and TRBHAs will be able to help identify H2O eligible members and refer them to the H2O-PA to verify member eligibility and available services. The H2O-PA will then identify an H2O provider to refer the member to, alert the TRBHA, AIMH, or IHS/638 facility, and submit the referral to the H2O provider. The H2O provider would then be responsible for including the TRBHA, AIMH, or IHS/638 facility in ongoing coordination for the member during their involvement with H2O services.

H2O Program Administrator (H2O-PA)

As mentioned throughout this document, the proposed TPA known as the H2O-PA will serve a foundational role in successful implementation of the H2O program. As currently proposed, the H2O-PA will oversee several aspects of initial and ongoing implementation, including training, onboarding new CBOs/providers, H2O member eligibility and monitoring, data collection, provision of supporting documentation, and will serve as a claims clearinghouse for H2O providers. All of these functions will be accomplished in coordination with AHCCCS and the members' existing care team, including MCOs and existing providers, and informal supports.

Related to provider training, the H2O-PA will maintain capacity to provide standard training for all H2O providers, and ensure consistency as well as sharing of best practices across the State of Arizona. They will be able to evaluate outcomes in real time and work with providers who are not meeting outcome expectations. They will leverage AHCCCS policy to determine the appropriate training method and make

adjustments based on the needs of the provider and provide timely and accurate responses to provider, member, and community questions related to H2O services and implementation.

Specific to onboarding new H2O providers, the H2O-PA will identify new providers who are not currently Medicaid providers and confirm they meet the identified H2O provider qualifications. They will ensure service delivery is culturally responsive and/or trauma-informed, and, if applicable, will assist providers with onboarding as Medicaid providers, including CBOs. They will ensure statewide standardization in the onboarding process for new H2O providers and monitor HRSN network capacity.

Related to data analysis, the H2O-PA will collect and analyze data, including ensuring statewide consistency in data collection and analysis. The H2O-PA will assist AHCCCS in utilizing the data in real time to identify providers struggling to meet performance measures and implement relevant technical assistance and oversight. Additional analysis will include monitoring of program outcomes based on service utilization and review of demographic disparities in housing referrals and/or lease up rates. AHCCCS will align efforts towards addressing demographic disparities in housing with CoC program efforts, informed by work at HUD. This includes ensuring H2O Providers use the CoC Race and Ethnicity Analysis Tool and align with strategies identified in CoC Race Equity Collaboratives. when possible. One example of how AHCCCS is working to address potential disparities in implementation is through the eligibility criteria, historically AHCCCS has focused targeted efforts on persons who meet high-cost high-need criteria, these efforts target populations who seek medical treatment and incur high costs. For H2O, AHCCCS is shifting to predictive modeling and providing eligibility to members who have diagnosed chronic health conditions from the point of diagnosis rather than waiting for costs to be incurred. AHCCCS anticipates this will help us reach a population of individuals who are not readily engaged in the health care system. The H2O-PA will provide dashboards that track program performance and provide AHCCCS with a pulse on the status of program implementation and targets on a daily basis

On a broader scale, AHCCCS' Health Equity Committee is committed to researching and developing processes that address health disparities to ensure health equity among all AHCCCS members. The committee has developed a Health Equity Toolkit that will be used internally to ensure new and revised AHCCCS policies and procedures include a focus on health equity. The committee is also focused on improving data collected on race, ethnicity, sex, gender, and sexual orientation to improve health equity and better serve AHCCCS members that may face systemic barriers. More information on AHCCCS' Health Equity Committee can be found here.

Because many new H2O providers will not have historically billed Medicaid, it is essential that AHCCCS allow for these organizations to operate in a manner that is consistent with reimbursement methodologies familiar to them. In addition, AHCCCS is aware that providers often must use a braided funding model in order to be able to operate with a "no wrong door" approach, having capacity to meet member needs regardless of funding criteria. AHCCCS seeks to standardize H2O invoicing processes to align with multiple fund sources such as Emergency Solutions Grant (ESG) and Community Development Block Grant (CDBG) to build a system that removes the administrative burden from the providers while ensuring compliance with funding expectations. Accordingly, the H2O-PA will establish a streamlined, standardized invoice process for CBOs and existing Medicaid providers to minimize administrative burden and ensure providers have the time and capacity to spend most of their time providing direct service to the members.

The H2O-PA will also have the responsibility of ensuring standard practices are utilized for reviewing eligibility of members across the State of Arizona based on the requirements set by AHCCCS. They will be responsible for reviewing the list of potentially eligible individuals provided by AHCCCS then verifying that the member meets the eligibility criteria and that the H2O provider has completed the screening tool and care management plan as outlined in the protocol. They will also track utilization of enhanced shelters and collaborate with the AHCCCS Housing Administrator to monitor rental assistance programs to ensure members do not exceed six months of the enhanced shelter service or rental assistance within the five year period and coordinate any necessary transitions with the member's care team.

Lastly, the H2O-PA will provide oversight and conduct onsite inspections at the enhanced shelters and other relevant H2O providers. They will be responsible for ensuring appropriate credentials and certifications are on-file, and will ensure that all appropriately qualified providers with capacity are offered as a choice to participating members.

AHCCCS Housing Administrator

On October 1, 2021, Arizona Behavioral Health Corporation (ABC) and HOM, Inc. (HOM) became the new centralized AHCCCS Housing Administrator for the non-TXIX AHCCCS Housing Program throughout the State of Arizona. ABC provides quality, affordable, and supportive housing for persons with behavioral health needs in Arizona. ABC contracts with HOM to administer rent payments and perform day-to-day housing program operations for the AHCCCS Housing Program. HOM has been a trusted partner of ABC for over 20 years and currently serves over 3,500 households in housing for ABC and other partners throughout Arizona.

The mission of the AHCCCS non-TXIX housing program is to provide safe, high quality, economically, and programmatically sustainable housing with individualized support services to ensure stable housing for all eligible members as a foundation to improve their physical and behavioral health outcomes, well-being, and self-determination. AHCCCS will implement additional contractual requirements within the AHCCCS Housing Administrator contract to ensure effective coordination of benefits for members participating in H2O. Key components of the contract expansion for H2O implementation include:

- Establishing partnerships and Memorandum of Understandings (MOUs) with public housing authorities across the State of Arizona to develop a pool of permanent housing vouchers available for members to transition from H2O rental assistance payment to an alternative long term subsidy,
- Develop a software system that allows for tracking members receiving H2O rental assistance, flagging when they are within 30 days of the six month maximum and to allow for seamless transition to alternative fund source within the software system,
- Track members move-in dates, exit dates, exit reasons to support monitoring and evaluation, and
- Provide onsite space for pre-tenancy and tenancy support staff to co-locate across the State of Arizona in order to provide members with ease of access to their support providers.

Tribes

Throughout the development of H2O, AHCCCS held a special tribal consultation and two tribal listening sessions to solicit tribal input on specific issues/considerations related to the housing needs of tribal populations, including tribal persons living in rural or frontier areas, in urban areas, and on reservations. Since the approval of H2O, AHCCCS has held several more tribal consultation meetings to gain feedback and provide updates on the implementation status of H2O.

Given the significant social risk factor of health that housing and homeless issues play for Arizona's American Indian/Alaska Native (AI/AN) population, it is critical that H2O-PA considers the supports that will address unique needs and cultural considerations of tribal communities and individual members. Specifically, the H2O-PA will need to help address concerns often faced by tribal communities including overcrowding, the prevalence of "couch surfing" as well as domestic violence.

AHCCCS plans to partner with the Southwest Tribal Housing Alliance, a non-profit organization that represents Indian Housing Authorities and Tribal Housing Departments in the southwest. AHCCCS will also be working with the non-profit organization Native American Connections who has extensive experience providing affordable and low-income housing programs as well as the provision of wraparound services.

AHCCCS will continue to partner with and learn from tribes throughout the planning and ultimate implementation of H2O. It is essential that AHCCCS partners with TRBHA, Indian Health Services (IHS), Tribal and Urban Indian facilities across the State of Arizona to ensure that appropriate training and referral pathways are established once H2O is implemented. Lastly, AHCCCS looks forward to strengthening existing and building new partnerships with tribal leaders, tribal health departments, and tribal housing departments, where appropriate, to ensure a successful coordination of benefits for tribal members participating in H2O.

Sister State Agencies

AHCCCS' partnerships with other Arizona State Agencies will play a vital role in the successful implementation of H2O.. Across various projects and populations, AHCCCS often partners with the ADES, ADOH, ADHS, Arizona Governor's Office (GO), Arizona Department of Education (ADE), Arizona Department of Veterans Affairs (VA), Arizona Department of Corrections Rehabilitation & Reentry (ADCRR), and the Arizona Department of Administration (ADOA). Communication and collaboration with these entities will continue to ensure that overlapping populations are being served effectively, resources are being applied appropriately and funding is being utilized in a complementary manner to serve members as they achieve their health care goals.

Contexture - Arizona's Statewide Health Information Exchange (HIE) and CLRS Provider

Since 2007, AHCCCS has partnered with Contexture to administer a statewide HIE. Members give permission to provide their health information to the HIE for improved care coordination. Providers are able to access member medical information using the HIE to better understand recent services the member has received. One example of an important tool AHCCCS providers through the HIE includes the receipt of daily reports for members enrolled at their clinic who have been admitted, transferred, or

discharged from a hospital, known locally as the Hospital Admissions, Discharge, and Transfer (ADT) Report. This report enables health care providers to connect with members to provide follow up care. The HIE is a valuable resource for providers throughout the State of Arizona.

In November 2022, Contexture, in collaboration with AHCCCS, launched Arizona's Statewide CLRS, known as CommunityCares, to help AHCCCS providers quickly and easily screen and refer members for help with HRSNs. Contexture contracts with the software vendor Unite Us to provide the platform for CommunityCares. AHCCCS is eager to expand the utilization of CommunityCares throughout the State of Arizona over the coming years. It's important to note that while the HIE and CLRS are managed by Contexture, the CLRS and the HIE cannot be housed or accessed within the same platform and member information must be kept separately due to state regulations.

Plans for Changes to Information Technology (IT) Infrastructure - STC 83(c)

AHCCCS' Information System Division (ISD) will be responsible for internal system enhancements for the new H2O services. These system changes will allow AHCCCS to collect data on member characteristics, eligibility, consent, screening, referrals, and service provision. AHCCCS is planning to make the following enhancements to systems for H2O:

Member Eligibility through AHCCCS Online

- AHCCCS will provide a file of potential H2O members to the H2O-PA.
- The H2O-PA will confirm eligibility of potential H2O members.
- The H2O-PA will provide AHCCCS with H2O eligibility confirmation.
- AHCCCS will store eligibility information and update the AHCCCS Online portal for providers.
- AHCCCS will communicate eligibility to MCOs via a Unique Population File.
- The H2O-PA will outreach to appropriate contractors to facilitate services, this includes providing communication to the MCOs on the H2O service provider selected by the member.
- The H2O-PA will send AHCCCS a list of AHCCCS members receiving H2O services.
- The H2O-PA/MCO will send AHCCCS updates when a member is no longer eligible for H2O services.

Claims and Encounter System

- Providers will verify that a member is eligible for H2O using AHCCCS Online.
- Providers will submit claims to the H2O-PA.
- Claims will be flagged as H2O eligible services, using closed HCPC codes that will only be made available to H2O Providers.

AHCCCS will require validation of service received and submission of claims in order to track utilization and member receipt of the service.

Financial System

- Outreach and education services will be funded at 50% Federal Medical Assistance Percentage (FMAP) through the H2O infrastructure dollars. The H2O-PA will send invoices to AHCCCS for payment.
- For all other H2O services, AHCCCS has identified a set of closed codes to dedicate to H2O services. These codes will be open to H2O providers only and monitored through the H2O-PA for financial reporting.
- The H2O-PA will assist with tracking utilization of transitional housing services and will alert AHCCCS when the member has met the maximum amount of six months within the demonstration period.

Provider System

- The H2O-PA will be responsible for ensuring H2O providers meet provider qualifications as defined in the [Protocol for Assessment of Beneficiary Eligibility and Needs and Provider Qualifications for H2O Services](#) prior to onboarding and providing services.
- AHCCCS Provider Enrollment will create three new H2O provider types to assist with streamlined onboarding and system structure that supports administrative oversight and monitoring. The new provider types will include, Statewide Housing Administrator, Enhanced Shelter, and H2O Provider. Each provider type will have a series of requirements that need to be met during the credentialing process. The H2O-PA will assist the CBO's and existing Medicaid providers with completing the necessary applications and providing an attestation that provider requirements have been met, prior to becoming an AHCCCS registered provider.
- The H2O-PA will be designated as provider type 01, group payment ID.
- AHCCCS will utilize the H2O-PA in order to disseminate information on the new provider types to MCOs, providers, and stakeholders.

Transformed Medicaid Statistical Information System (TMSIS)

- AHCCCS will utilize the recipient exception code to mark a member as H2O eligible.
- AHCCCS will utilize a flag in claims/encounters to mark a service as an H2O service.

Tracking and Improving Access for Medicaid Members Enrolled in Other Programs - STC 83(d)

In Arizona, Supplemental Nutrition Assistance Program (SNAP) and Temporary Assistance for Needy Families (TANF) are managed by the Arizona Department of Economic Security (ADES). The Women, Infants, and Children (WIC) program is managed by ADHS. Individuals and families are able to apply for Medicaid, SNAP, and TANF benefits using one statewide application. Applications can be submitted online through the [Health-e-Arizona Plus (HEAPlus)](#) application system, in person at a ADES office location, at one of Arizona's community assistor locations with the help of a care navigator, or completed using a [paper form](#) and mailed in. To apply for WIC in Arizona, an individual or family member can submit an application to ADHS using the [WIC Arizona Participant Portal](#) or make an appointment at their local county health department. To further support intergovernmental member coordination, in 2021, Arizona updated the HEAPlus application to include a pop-up notification to alert members that are eligible for SNAP that they may also be eligible for WIC. The pop-up includes a direct link to help members apply for WIC. Member information is also sent to WIC when a member who is eligible for SNAP may be eligible for the WIC program.

Arizona has an online application system that allows individuals to apply for medical, nutrition, and cash assistance. Eligibility determination for Medicaid, is managed by ADES, with the exception for Arizona Long Term Care System (ALTCS) and FFS members, which is performed in-house by AHCCCS.

While AHCCCS, ADES, and ADHS provide these programs separately, AHCCCS and its sister agencies coordinate and collaborate often with regular leadership meetings and information sharing. For example, leaders from WIC provide education to AHCCCS' MCOs during quarterly meetings. During the meetings, information is provided on WIC services, updates, data, utilization, and ways members can access the program. AHCCCS, ADES, and ADHS have partnered to develop a multi-agency approach to enrollment in health and human services related public benefit systems in Arizona called Enroll Arizona. The goal of Enroll Arizona is to simplify navigation for consumers of the multiple public benefits systems into a single, user-friendly solution that streamlines back-end administration and reduces operational costs. The goal is to establish a health and human services one stop portal that provides a single online location to help Arizonans access services available to them. Lastly, AHCCCS' statewide HIE has drafted a five-year plan to identify opportunities to increase data sharing across agencies.

AHCCCS has a data sharing agreement and a process for AHCCCS to receive SNAP and TANF beneficiary information from ADES for members who are enrolled with AHCCCS. The AHCCCS team will be setting up a data sharing agreement with ADHS to receive WIC beneficiary information for members who are enrolled with AHCCCS. This information will be used to improve care coordination and enrollment for members, which may include an analysis of HRSN equity amongst state program beneficiaries and modifications to improve health equity. AHCCCS is assessing the value of adding an indicator to the eligibility portal to show when an AHCCCS member is also a beneficiary of WIC, SNAP, or TANF. A MARS-E compliant agreement and data sharing process would need to be established with ADHS to obtain WIC beneficiary data.

AHCCCS contracts with ABC and their subcontractor HOM Inc. to serve as the AHCCCS Housing Administrator and provide administrative oversight of the AHCCCS Housing Program. Together, ABC and HOM administer rent payments and perform day-to-day housing program operations, this includes management of the waitlist.. Additionally, ABC and HOM Inc. administer HUD CoC programs and Mainstream voucher programs. Through their administrative oversight they have access to waitlist information and utilization for these programs. AHCCCS and the AHCCCS Housing Administrator will work in partnership to align prioritization criteria where possible in order to support members in H2O served with short-term rental assistance with meeting the program criteria and prioritization to transition to one of these programs within the six month period. AHCCCS Housing staff work directly with CoC programs in the development of coordinated entry assessment processes in order to support policy alignment for member prioritization. AHCCCS understands the importance of partnering with Public Housing Authorities (PHAs) in order to onboard additional long term subsidy resources for H2O eligible members to transition to within the six months. AHCCCS has identified local, state, and federal efforts that can be explored to improve and standardize partnerships with PHA's. This includes partnering with a local municipality on a pilot project to identify and solve system gaps when PHA's allocate vouchers to the H2O initiative. The state is currently in the process of aligning contract requirements, scope of work, outcomes, and priority populations with the local municipality and the pilot is scheduled to begin June of 2024. AHCCCS staff will work with the Maricopa CoC throughout the

pilot to create a tool kit that can be shared with other PHA's throughout the County. Next, the state has identified statewide strategies that can be explored to support the efforts towards system alignment. AHCCCS participates in the Governor's Interagency Community Council on Homelessness and Housing, the state has worked to ensure there are defined goals for state agencies to clearly define the housing continuum and explore opportunities for standardization at the state level. Strategies for alignment include, developing and aligning standard operating procedures such as definition of the intervention, provider qualifications, required training, staff to member ratios, frequency of contact requirements, program outcomes, assessment tools and expectations. Strategies also include administrative alignment with budget templates, program outcomes, program reporting, member prioritization, contract terms, and data sharing. Through statewide standardization across the housing continuum the state can better align funding mechanisms that support braided funding models without placing the administrative burden on providers. Lastly, the state has identified potential opportunities for federal alignment. The state was accepted in the Housing Accelerator program; the state has identified a core team of experts providing housing and supportive services throughout the state to utilize technical assistance through the Housing Accelerator to receive information and advocate for federal opportunities to support system standardization. An example includes, federal alignment of housing choice voucher application including processes and forms, this way a member can enter into 6 months of short-term rental assistance through H2O and have a seamless transition to an available HCV with a partnering PHA without needed to complete a new application or process because of nuances that are not necessary within a particular PHA. The AHCCCS Housing Administrator will be responsible for assisting the state with establishing partnerships with PHAs and tracking utilization of vouchers attributed to H2O.

Implementation Timeline - STC 83(e)

AHCCCS has outlined a timeline for implementing the H2O Program by coordinating with operations, policy, financial, and IT subject matter experts in order to achieve the October 1, 2024 go-live date. Implementing a new complex program requires a significant amount of effort, AHCCCS has already begun executing on the timeline in order to achieve the go-live date. However, key design features of the H2O Program still require executive decisions and have other dependencies such as the scope of the H2O-PA and the procurement of the H2O-PA. During and after the H2O-PA procurement process, the timeline may need to be adjusted. For example, AHCCCS will need to coordinate internally, with existing MCOs, and the newly procured H2O-PA in order to determine the approach of go-live on October 1, 2024. During the H2O-PA procurement and contracting process, AHCCCS will evaluate the need for a phased rollout of the H2O program based on geographic, demographic, or other factors during implementation. Ultimately, the H2O Program will be operationalized across the entire State of Arizona as these are critical services for many Arizonans. Additionally, the timeline is dependent on approvals from CMS on waiver related items in order to fully execute on the proposed implementation timeline.

An initial timeline for the implementation plan has been outlined in **Appendix A: Implementation Plan Timeline**. Key tasks by the following areas have been outlined: H2O program development; H2O-PA; policy development; systems enhancements; rate development; provider network building, engagement, and training; and H2O Go-Live. Specific milestones have been defined for each area that are critical for a successful implementation of the H2O Program.

Rate and Payment Methodologies - STC 83(f), STC 43, STC 83(g), STC 44, and STC 36(iv)

AHCCCS will develop and finalize rates by July 2024 to ensure ample time for feedback and operationalization is completed for the October 1, 2024, go-live date. The rate development process includes determining the appropriate payment method by service type, drafting of the initial rates, engaging stakeholders, and finalizing the rates.

AHCCCS will utilize the H2O-PA for all payment processing for the HRSN services as approved in STC 32 and subsequent H2O deliverables. Through the H2O-PA, a FFS payment model will be utilized to reimburse providers for all services. Since AHCCCS will utilize the H2O-PA for all payments, there is no need to include the HRSN services outlined in STC 32 for inclusion of the MCO capitation rate or to update the MLR. The MCOs will not be involved in the payment of the HRSN services.

Once the payment methodology has been finalized for each service and a determination has been made on the full scope of the H2O-PA, AHCCCS will work to begin updating necessary IT systems. Development and testing of the rates and IT systems updates will happen concurrently with the final approval of the rates to ensure all components are ready for go-live.

Service definitions identified in Exhibit 1 of the Protocol for Assessment of Beneficiary Eligibility and Needsand Provider Qualifications for H2O Services:

Service Name	Payment Approach/Methodology
Outreach and Education Services	- Modified Cost Reimbursement - Administrative Contract - Invoiced Based Payments
Transitional Housing- Apartment or Rental Unit (Rental Assistance)	- Cost-based reimbursement up to a cap - Six month's rent at 110% Fair Market Rent (FMR) based on household size which will be evaluated and approved on an annual basis - Include Statewide Housing Administrator management expenses in rate
Transitional Housing- Enhanced Shelter	Fee Schedule Based- Per Diem Rate
One-time transition and moving costs	Cost-based reimbursement up to a cap
Home accessibility modifications and remediation	Cost-based reimbursement up to a cap
Housing Pre-Tenancy Services	Fee Schedule Based- Healthcare Common Procedure Coding System (HCPCS) Unit of Service
Housing Tenancy Services	Fee Schedule Based- HCPCS Unit of Service

Partnership with State and Local Entities - STC 83(h) and STC 45

AHCCCS has a long history of partnering with State and local entities for care coordination for AHCCCS members. AHCCCS will expand these partnerships in order to assist beneficiaries in obtaining non-Medicaid funded housing and other supports upon the conclusion of temporary Medicaid payment for such supports. This process begins with the development of the H2O eligibility criteria and ensuring that priority populations align with H2O eligibility. AHCCCS participates in various community discussions around data integration, prioritization schemas for Coordinated Entry, and special initiatives throughout the State of Arizona; this participation will allow AHCCCS to align prioritization schemas with local initiatives. For instance, in Maricopa County the Coordinated Entry Prioritization is based on the members status of chronic homelessness, their length of time experiencing homelessness, and their Vulnerability Index – Service Prioritization Decision Assistance Tool (VI SPDAT) score which helps to determine the level of acuity of an individual. AHCCCS will review the CoC housing prioritization list to identify members who are priority on the CoC list who meet H2O eligibility. These members may be prioritized to receive rental assistance and begin the lease up process prior to a CoC PSH subsidy being available. AHCCCS will work in partnership with the CoCs to ensure these members maintain CoC prioritization once housed in order for them to receive a transfer to a permanent housing subsidy when one becomes available.

In addition, AHCCCS will develop MOUs with local Public Housing Authorities (PHAs) who are interested in establishing a Bridge to Permanency model within their community. Currently, there are several PHAs who have homeless preference included in their strategic plan. These vouchers are often underutilized due to a lack of dedicated support services and the length of time it takes for a member to locate an affordable unit in their community. Through the Bridge to Permanency partnership, AHCCCS will be able to assist H2O eligible members with receiving Pre-Tenancy housing support and temporary rental assistance in order for them to lease a unit using temporary rental assistance until the PHA is able to transition the member to a permanent subsidy. AHCCCS will work in partnership with the PHA to identify the number of vouchers they can commit to the project. The statewide Housing Administrator will maintain an inventory of PHA transition subsidies. Members will be pulled from the waitlist and assisted with leasing a unit based on the projected number of long term subsidies becoming available within a six month period.

As described under the Housing Administrator section, AHCCCS currently provides rental assistance to eligible members through a state appropriation. AHCCCS will use permanent subsidies in the AHCCCS Housing Program as a transition of last resort if an alternative subsidy is not available within the six month period.

The enhanced shelter model plays an integral role in member stabilization and coordination within the homeless service sector. In Arizona, the community by name list is pulled from data from the HMIS. In order for a member to remain active on the community by name list they must have an open entry in an emergency shelter or receive a service transaction from an outreach or support service only provider every 90 days. In order to build upon this partnership with local entities AHCCCS will ensure enhanced shelter providers utilize HMIS for data entry and follow community data standards. This will ensure H2O eligible members have access to enhanced shelter services to move from unsheltered situations and remain active on the community by name list for a housing subsidy match.

Prior to implementation, AHCCCS will establish MOUs with local public housing authorities, CoC leads, Low-Income Housing Tax Credit (LIHTC) properties, municipalities, and shelter providers. The MOU will describe the partnership, data requirements, and subsidy commitment as indicated in the implementation plan.

Summary

AHCCCS has been conducting stakeholder engagement activities, holding workgroups with external entities, and working internally since the waiver approval on October 14, 2022 to develop the H2O Program. The H2O Implementation Plan was informed through these activities and outlines the necessary steps to ensure a successful implementation of the H2O Program. The detailed timeline is outlined in Appendix A and is summarized below:

- H2O program development - Finalizing the H2O Program through October 2024.
- H2O-PA - Completing the procurement process of the H2O-PA by July 2024.
- Policy development - Updating and creating provider policies by August 2024.
- Systems enhancements - Completing system requirement gathering between AHCCCS, H2O-PA, and MCOs by September 2024.
- Rate development - Finalizing rates and implementing a billing process by September 2024.
- Provider network building, engagement, and training - Conducting outreach and developing an initial provider network by September 2024.
- H2O Go-Live - Determining a phased-in approach and meeting all milestones by September 2024.

The H2O-PA is critical to the success of the H2O Program and will support AHCCCS by increasing provider enrollment for CBOs addressing HRSNs, verifying member eligibility for H2O services following AHCCCS guidelines, coordinating H2O services with the MCOs and providers, developing a streamlined process for H2O-providers to submit actions for reimbursement and ensuring compatibility with Medicaid claims, monitoring and tracking H2O service utilization data, and providing technical assistance to H2O-providers based on established AHCCCS policies. AHCCCS will be procuring the H2O-PA over the next year and will coordinate with the procured vendor to determine an appropriate rollout strategy to ensure that the H2O Program is ready for the planned October 1, 2024 go-live date.

AHCCCS Housing and Health Opportunities (H2O) Implementation Plan

Appendix A: Implementation Plan Timeline

TASKS	10/23	11/23	12/23	1/23	2/24	3/24	4/24	5/24	6/24	7/24	8/24	9/24	10/24
H2O Program Development													
Stakeholder Feedback and Overall H2O System Design (November 2022 - October 2023)	■												
Come to consensus on eligibility criteria including definition of chronic conditions. (June 2023 – March 2024)	■												
Finalize and Submit Implementation Plan (May 2023 - October 2023)	■												
Milestone: CMS Approval of H2O Protocol	◆												
Milestone: CMS Approval of New Initiatives Implementation Plan				◆									
H2O-PA													
Review RFI on TPA Option, Conduct Meetings with MCOs, and Make Determination of H2O-PA RFP. (July 2023 – October 2023)	■												
Develop H2O-PA RFP. (September 2023 – January 2023)	■	■	■	■									
Post RFP, Evaluate, Select Vendor (February 2023 - May 2024)					■	■	■	■					
H2O-PA Award and Contract Signed (June 2024 - July 2024)									■	■			
Milestone: H2O-PA Contract Signed										◆			
Policy Development													
Update MCO Contracts and AHCCCS Medical Policy Manual (AMPM) as necessary to align with H2O-PA responsibilities. (March 2024 – August 2024)						■	■	■	■	■	■		
H2O-PA develops policies for H2O service providers. (July 2024 – September 2024)										■	■	■	

AHCCCS
Arizona Health Care Cost Containment System

AHCCCS Housing and Health Opportunities (H2O) Implementation Plan

TASKS	10/23	11/23	12/23	1/23	2/24	3/24	4/24	5/24	6/24	7/24	8/24	9/24	10/24
Milestone: AHCCCS Approval of updated AMPM.												■	
Milestone: AHCCCS approval of MCO contracts.											■		
Systems Enhancements													
AHCCCS System Requirements (October 2023 - February 2024)	█	█	█	█	█								
AHCCCS System Development (November 2023 - May 2024)		█	█	█	█	█	█	█					
MCO System Development (April 2024 – August 2024)							█	█	█	█	█		
H2O-PA System Development (July 2024 – September 2024)										█	█	█	
System Testing (April 2024 - September 2024)							█	█	█	█	█	█	
Milestone: Technologies meet requirements for go-live.													■
Rate Development													
Initial development of rates and stakeholder engagement. (October 2023 – March 2024)	█	█	█	█	█	█							
Finalize rates. (March 2024 – July 2024)						█	█	█	█	█			
Update billing process for H2O service providers and implement rates. (July 2024 – September 2024)										█	█	█	
Milestone: Ability for H2O service providers to submit invoices/claims to H2O-PA and be paid.											■		
Provider Network Building, Engagement, and Training													
AHCCCS to conduct initial outreach to potential H2O service providers. (April 2024 – June 2024)							█	█	█				
H2O-PA develop provider network. (July 2024 – September 2024)										█	█	█	
H2O-PA conducts initial provider education. (August 2024 – September 2024)											█	█	

AHCCCS
Arizona Health Care Cost Containment System

AHCCCS Housing and Health Opportunities (H2O) Implementation Plan

TASKS	10/23	11/23	12/23	1/23	2/24	3/24	4/24	5/24	6/24	7/24	8/24	9/24	10/24
H2O-PA conducts ongoing provider education, outreach, and maintenance of provider network. (October 2024 - Ongoing)													■
Milestone: H2O service network meets requirements for coverage.												■	
H2O Go-Live													
Consider phased-in approach for go-live date. (November 2023 – March 2024)		■	■	■	■	■							
Final decisions on phased-in approach for go-live. (April 2024 – June 2024)							■	■	■				
Engage Medicaid beneficiaries post-implementation to identify potential barriers and inform future decisions. (March 2025 and beyond)													■
Milestone: H2O Go-Live October 1, 2024													■