

**ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM  
AHCCCS MEDICAL POLICY MANUAL**

**CHAPTER 100  
INTRODUCTION**

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## 100 MANUAL OVERVIEW

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INITIAL

EFFECTIVE DATE: 02/14/1996

The purpose of the Arizona Health Care Cost Containment System (AHCCCS) Medical Policy Manual is to document the medical and program policies and requirements implemented by the AHCCCS Administration for Contractors and fee-for-service providers of these covered services. The Manual provides information regarding covered health care services for Arizona residents who are eligible for AHCCCS services. Members who are eligible for emergency services only receive those services through the Federal Emergency Services Program. This Manual also provides information regarding behavioral health services.

The Office of Medical Policy and Programs (OMP) is responsible for the formulation of medical and program policy in conjunction with the AHCCCS Chief Medical Officer (CMO), Medical Director and other Divisions within AHCCCS. Policy changes can stem from several sources, including recently promulgated or revised Federal and State regulations, changes in accepted standards of practice and emerging technology.

**Note:** for the purposes of this Manual, AHCCCS services are inclusive of acute care, long term care, fee-for-service, KidsCare and emergency services.

Requests to add, modify or delete standards, criteria or requirements related to current medical or program policy should be forwarded to OMP.



**A. MANUAL CONTENT**

The AHCCCS Medical Policy Manual consists of 16 chapters and 10 appendices. Each chapter contains an overview, and a detailed discussion of policy information. Exhibits, which pertain to a specific policy, are located at the end of the policy section. Note that service descriptions, service provider requirements, and fee-for-service (FFS) quality and utilization management are addressed in separate chapters.

The Policy Manual Chapters include:

Chapter 100	Introduction
Chapter 200	Reserved
Chapter 300	Medical Policy for AHCCCS Covered Services
Chapter 400	Medical Policy for Maternal and Child Health
Chapter 500	Care Coordination Requirements
Chapter 600	Provider Qualifications and Provider Requirements
Chapter 700	Medicaid School-Based Claiming (MSBC)/Direct Services Claiming (DSC)
Chapter 800	FFS Quality and Utilization Management
Chapter 900	Quality Management and Performance Improvement Program
Chapter 1000	Medical Management/Utilization Management
Chapter 1100	Emergency Services Program
Chapter 1200	Arizona Long Term Care System Services and Settings for Members who are Elderly and/or Have Physical Disabilities and/or Have Developmental Disabilities
Chapter 1300	Self Directed Attendant Care (SDAC) Option
Chapter 1400	Reserved
Chapter 1500	Reserved



Chapter 1600 Case Management

Appended documents and forms include:

- A. EPSDT Improvement and Adult Quarterly Monitoring Report and Template
- B. EPSDT Standards and Tracking Forms
- C. Reserved
- D. Medical Foods Flowcharts
- E. Child and Adolescent Behavioral Health Tool Kits
- F. Adult Behavioral Health Tool Kits
- G. Reserved
- H. Reserved
- I. Charts for Estimating Body Mass Index
- J. FFS Mileage Reimbursement Form for FFS Independent Service Providers



**B. OTHER REFERENCE MATERIALS AND SOURCES**

As appropriate, this Manual provides reference to regulations and AHCCCS manuals or documents which provide more detailed information. These documents include, but are not limited to:

1. 1115 Waiver
2. AHCCCS State Plan
3. Code of Federal Regulations (C.F.R.)
4. Arizona Revised Statutes
5. Arizona Administrative Code (Rules)
6. AHCCCS Contracts
  - a. Acute care
  - b. Long term care
  - c. Behavioral health
  - d. Children's Rehabilitative Service (CRS)
  - e. Arizona Department of Children's Medical and Dental Program (CMDP)
7. AHCCCS Behavioral Health Services Guide
8. AHCCCS Encounter Reporting User Manual
9. AHCCCS Fee-For-Service Provider Manual
10. AHCCCS Reinsurance Processing Manual
11. AHCCCS Eligibility Policy and Procedure Manual
12. AHCCCS KidsCare Eligibility Manual
13. AHCCCS Contractor Operations Manual
14. AHCCCS Billing Manual for IHS/Tribal Providers.



**C. MANUAL UPDATING PROCEDURES**

Revisions to the AMPM are published on the AHCCCS Web site, which can be accessed at [www.azahcccs.gov](http://www.azahcccs.gov). Updates to the website occur on a monthly or as needed basis.

Any questions concerning the AMPM should be forwarded to:

AHCCCS  
Office of Medical Policy and Programs  
701 E. Jefferson, Mail Drop 8500  
Phoenix, AZ 85034

Telephone: (602) 417-4627  
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#### D. POLICY MANUAL DEFINITIONS

The following words and phrases contained in the AHCCCS Medical Policy Manual have the following meanings unless a Chapter or Policy contains another meaning. Additional definitions may be found in AHCCCS Contracts, Arizona Revised Statutes, Arizona Administrative Code and Federal legislation.

**638 Tribal Facility** – A facility that is operated by an Indian Tribe and that is authorized to provide services pursuant to Public Law 93-638, as amended.

**Acute Care Services** - Medically necessary services as described in Chapter 300 of this Manual that are covered for AHCCCS members. These services are provided through contractual agreements with AHCCCS health plans, ALTCS program Contractors, or on a fee-for-service (FFS) basis through the AHCCCS Administration.

**Adult Day Health Care Services** – As specified in Chapter 1200 of this Manual, an ALTCS service provided through facilities licensed by the Arizona Department of Health Services (ADHS). Refer to A.A.C. Title 9, Chapter 28, Article 2.

**Adult Developmental Home** - An alternative residential setting for adults (18 or older) with developmental disabilities that is licensed by ADES to provide room, board, supervision and coordination of habilitation and treatment for up to three residents. Refer to A.R.S. § 36.551.

**AHCCCS Contractor Operations Manual (ACOM)** – The ACOM provides information related to AHCCCS managed care Contractor operations and is available at <http://www.azahcccs.gov/shared/Downloads/ACOM.pdf>.

**AHCCCS Division of Fee-for-Service Management (AHCCCS/DFSM)** – The Division responsible for oversight and processing of FFS claims, and prior authorization for services provided to AIHP/FFS, Tribal ALTCS, and FES members.

**AHCCCS Division of Health Care Management (AHCCCS/DHCM)** – The Division responsible for Contractor oversight regarding AHCCCS medical program operations, quality and medical management and financial/operational oversight.

**AHCCCS Division of Member Services (AHCCCS/DMS)** – The Division responsible for management of eligibility and enrollment of members.

**AHCCCS Medical Policy Manual (AMPM)** – The AMPM provides information regarding covered health care services.



**AHCCCS Office of Medical Policy and Programs (AHCCCS/OMP)** – The Office responsible for the collaborative development of AHCCCS medical policy and maintenance of the AHCCCS Medical Policy Manual. OMP is part of the Office of the Director.

**AHCCCS Registered Provider** – A contracted provider or noncontracting provider who enters into a provider agreement with the AHCCCS Administration under 9 A.A.C. 22, Article 7, and meets licensing or certification requirements to provide AHCCCS-covered services.

**Americans with Disabilities Act (ADA)** – The ADA prohibits discrimination on the basis of disability and ensures equal opportunity for persons 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.

**Arizona Department of Economic Security, Division of Developmental Disabilities (ADES/DDD)** - The Division of a State agency, as defined in A.R.S. Title 36, Chapter 5.1, which is responsible for licensure/certification of facilities for individuals with a developmental/intellectual disability, providers, and the reimbursement of services for eligible Arizona residents with a developmental/intellectual disability. AHCCCS Administration contracts with ADES to reimburse services for its members with a developmental/intellectual disability.

**Arizona Department of Health Services (ADHS)** – A State agency as defined in A.R.S. Title 36, Chapter 1. Pursuant to A.R.S. Title 36, Chapter 4, ADHS is responsible for licensure and certification (when applicable) of health care facilities included as AHCCCS-registered providers.

**Arizona Department of Health Services, Division of Behavioral Health (ADHS/BHS)**  
A prepaid inpatient health plan (PIHP) mandated to provide behavioral health services to Title XIX acute care and Title XXI members who are eligible for behavioral health services. Services are provided through ADHS/BHS and its Contractors. A.R.S. Title 36, Chapters 5, 18 and 34 govern the delivery of behavioral health services by ADHS. AHCCCS Administration contracts with ADHS to provide behavioral health services for eligible persons and members who are enrolled with an acute care Contractor. ALTCS Contractors may contract with ADHS to provide behavioral health services for ALTCS members.

**Arizona Administrative Code (A.A.C.)** – State regulations established pursuant to relevant statutes.



**Arizona Health Care Cost Containment System (AHCCCS)** – A State agency, as described in A.R.S. Title 36, Chapter 29, which is designated as Arizona’s Medicaid program. AHCCCS is composed of the AHCCCS Administration, Contractors and other arrangements through which health care services (acute, long term care, and behavioral) are provided to members.

**Arizona Long Term Care System (ALTCS)** – A program under AHCCCS, which delivers long term, acute, behavioral health care 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 DD, through contractual agreements and other arrangements.

**ALTCS Comprehensive Care for the Elderly Program (CCE)** – Under A.R.S. Title 36, Chapter 29, Article 5, the ALTCS CCE may be offered by a long term care Contractor to currently eligible ALTCS members who:

1. Reside in the geographic area where CCE is offered
2. Have selected the CCE program as the service provider and are willing to receive all services exclusively from the CCE provider, and
3. Are able to be maintained in a community-based setting at the time of enrollment.

The ALTCS CCE encompasses the same services as the traditional ALTCS model.

**ALTCS Fee-For-Service Program** - Also known as Tribal ALTCS, a program managed by the AHCCCS Administration to provide covered ALTCS services to ALTCS American Indian members who reside on a Tribal reservation in Arizona or resided on a reservation immediately before being placed in a nursing facility off-reservation.

**ALTCS Transitional Program** - A program for currently eligible ALTCS members who have improved, either medically, functionally or both, to the extent that they are no longer at risk of institutionalization at a nursing facility (NF) or intermediate care facility for the mentally retarded (ICF/MR) level of care. These members continue to require some long term care services, but at a lower level of care. Refer to 9 A.A.C. 28, Article 3; and Chapter 1600 of this Manual.

**American Indian Health Program (AIHP)** – AIHP is an acute care program that reimburses acute care health care services for eligible American Indians who choose to receive services through the Indian Health Service (IHS) or tribal health programs operated under PL 93-638 (known as 638 facilities). AIHP is formerly known as the AHCCCS IHS FFS Program.



**Arizona Revised Statute (A.R.S.)** – Laws of the State of Arizona.

**Assisted Living Facilities (ALFs)** – Residential care institutions that provide supervisory care services, personal care services or directed care services on a continuous basis. All ALTCS approved residential settings in this category are required to meet ADHS licensing criteria. Of these facilities, AHCCCS has approved three as covered settings:

1. **Adult Foster Care Home** – An ALTCS HCB approved alternative residential setting that provides supervision and coordination of necessary services within a family type environment for up to four adult residents.
2. **Assisted Living Home** – An ALTCS approved residential setting that provides supervision and coordination of necessary services to ten or fewer residents.
3. **Assisted Living Center (ALC)** – An ALTCS approved residential setting that consists of rooms or residential units that provides supervision and coordination of necessary services to 11 or more residents. Under A.R.S. § 36-2939, members residing in an assisted living center must be provided the choice of single occupancy.

Refer to A.R.S. § 36-401 and Chapter 1200 of this Manual for more information on ALFs.

**Bed Hold Day** – Bed hold is a 24 hour per day unit of service that is authorized by an ALTCS member's case manager or the behavioral health case manager for an acute care member, which may be billed despite the member's absence from the facility for the following purposes:

1. **Short Term Hospitalization Leave** – This service may be authorized for members residing in a nursing facility (NF), intermediate care facility for the mentally retarded (ICF/MR) or residential treatment center (RTC) (licensed as a Level I behavioral health facility) when short-term hospitalization is medically necessary. The total number of days available for each member per year is limited to 12 days per contract year except as in #3 below.
2. **Therapeutic Leave** – If included in the member's care plan, this service may be authorized for members residing in a NF, ICF/MR or RTC (licensed as a Level I behavioral health facility) due to a therapeutic home visit to enhance psychosocial interaction or on a trial basis as a part of discharge planning. The total number of therapeutic leave days available for each member per year is limited to nine days per contract year except as in #3 below.



3. Members under 21 years of age may use any combination of bed hold days and therapeutic leave days per contract year with a limit of 21 days per year.
4. Payment shall be denied for any absence that is not properly authorized, is for purposes other than those listed, or is in excess of the specified time limits.

Refer to the Arizona Medicaid State Plan, 42 C.F.R. §§ 447.40 and 483.12, and 9 A.A.C. 28 for more information on the bed hold service.

**Behavioral Health Facility** – A facility licensed by ADHS to provide a structured treatment setting with 24-hour supervision, on-site medical services and an intensive behavioral health treatment program.

Services provided to managed care Title XIX members (including members who receive behavioral health services through a RBHA or TRBHA) may be reimbursed in any behavioral health setting, regardless of age, under the Federal Provision, 42 C.F.R. 438.6(e), when approved for managed care contracts by CMS.

Refer below for definitions of the licensed facilities.

1. **Level I Behavioral Health Facility** – Behavioral health facility licensed by the ADHS to provide a structured treatment setting with 24 hour supervision, on-site medical services and an intensive behavioral health treatment program. These facilities are the highest level of inpatient behavioral health services, and include the following:
  - a. Distinct Psychiatric Unit in a General Acute Care Hospital
  - b. Special Hospital for Psychiatric Care
  - c. Residential Treatment Center
  - d. Subacute Facility

Level I behavioral health facilities with more than 16 beds are considered Institutions for Mental Disease (IMD). Level I behavioral health facilities with 16 or fewer beds are not considered IMDs. Room and board is a covered service when provided in a Level I licensed behavioral health facility.



2. **Level II Behavioral Health Facility** – Behavioral health facility licensed by the ADHS to provide a structured residential setting with 24 hour supervision and counseling or other therapeutic activities for individuals who do not require the intensity of treatment services or on-site medical services found in a Level I behavioral health facility. Level II facilities can be HCB alternative residential settings. Room and board is not a covered service for Level II licensed facilities.
  
3. **Level III Behavioral Health Facility** – Behavioral health facility licensed by the ADHS to provide a residential setting with 24-hour supervision and supportive protective oversight. Level III facilities can be HCB alternative residential settings. Room and board is not a covered service for Level III licensed facilities.

Refer to the Behavioral Health Services Guide for further information regarding behavioral health services and settings.

**Behavioral Health Professional** – A psychiatrist, psychologist, social worker, counselor, marriage and family therapist, certified psychiatric nurse practitioner, registered nurse with at least one year of full time behavioral health work experience, substance abuse counselor or behavioral health medical practitioner. Refer to 9 A.A.C. 20.

**Behavioral Health Recipient** – A Title XIX or Title XXI acute care member who is eligible for and is receiving behavioral health services through ADHS and the subcontractors.

**Behavioral Health Therapeutic Home** – A Home and Community Based (HCB) setting where services are provided by specially trained behavioral health home parents to members residing in the home to assist and support the member in achieving behavioral health treatment goals and objectives. Services which may be provided include continuous protective oversight, observation, assistance with activities to maintain health, safety, personal care or hygiene, living skills training, and transportation, when needed to participate in therapeutic activities. A clinical supervisor is assigned to oversee the care provided by the therapeutic home care parents.

1. **Behavioral Health Adult Therapeutic Home** – A HCB setting, licensed by the ADHS/Office of Behavioral Health Licensure, that provides behavioral health services and ancillary services to at least one and no more than three adults and where the member lives in the home with, and is integrated into the family of, the individual providing behavioral health services to the member.
2. **Behavioral Health Child Therapeutic Home** – A HCB setting licensed by the ADES as a Professional Foster Care Home (A.A.C. R6-5-5850). The individual lives in the home with, and is integrated into, the family. Behavioral health services and ancillary services are provided to the members living in the home.



**Care Plan** – The proposed, individualized regimen of services which is prepared by the service provider and includes measurable goals and objectives for the outcome of services authorized by an ALTCS member's case manager along with specific treatment methodologies and services to be rendered to an ALTCS member in order to meet established goals and objectives.

**Centers for Disease Control and Prevention (CDC)** – The Centers for Disease Control and Prevention, based in Atlanta, Georgia.

**Centers for Medicare and Medicaid Services (CMS)** – An organization within the U.S. Department of Health and Human Services which administers the Medicare and Medicaid programs and the State Children's Health Insurance Program (known as KidsCare in Arizona).

**Child Developmental Foster Home** – An alternative residential setting for children under the age of 18 with developmental disabilities which is licensed by ADES to provide room, board, supervision, personal care and coordination of habilitation and treatment for up to three residents. AHCCCS covers services except for room and board. Refer to A.R.S. § 36-551.

**Children's Rehabilitative Services (CRS)** A prepaid inpatient health plan (PIHP) administered by the CRS Contractor. The CRS Contractor provides services to Title XIX and Title XXI members who have completed the CRS application and have met the eligibility criteria to receive CRS related services as specified in 9 A.A.C. 7.

**Children's Rehabilitative Services Recipient** – A member who has completed the CRS application process, and has met all applicable criteria to be eligible to receive CRS related services.

**Comprehensive Medical and Dental Plan (CMDP)** – A department within the Arizona Department of Economic Security that oversees the medical needs of foster children in Arizona. Refer to A.R.S. § 8-512.

**Consulting Provider** – A licensed physician or clinical psychologist who provides an expert opinion to assist in the diagnosis or treatment of a member.

**Contractor** – An organization, person, or entity that has a prepaid capitated contract with the AHCCCS Administration pursuant to A.R.S. § 36-2904 to provide goods and services, including health care services, to members either directly or through subcontracts with providers, in conformance with contractual requirements, AHCCCS statutes and rules, and Federal law and regulations.



1. Acute care Contractor – A contracted managed care organization (also known as a Health Plan) that provides acute care medical services to AHCCCS members who are Title XIX or Title XXI eligible, and who do not qualify for another AHCCCS program. Most behavioral health services are carved out (excluded from acute care contractor services) and are provided through the Arizona Department of Health Services Division of Behavioral Health Services (ADHS/BHS).
2. Arizona Long Term Care System (ALTCS) Contractor – A contracted managed care organization (also known as a Program Contractor), that provides long term care, acute care, behavioral health and case management services to Title XIX eligible elderly, physically or developmentally disabled individuals who are determined to be at risk of an institutional level of care. Refer to A.R.S. Title 36, Chapter 29, Article 2.
3. Tribal Contractor – A Tribal organization or urban American Indian organization contracted with AHCCCS through an Intergovernmental Agreement (IGA) to provide case management services to American Indians who have on-reservation status and are enrolled in ALTCS.

**Developmentally/Intellectually Disabled (DD)** – A member who meets the Arizona definition as outlined in A.R.S. § 36-551 and is determined eligible for services through the ADES Division of Developmental Disabilities. AHCCCS-enrolled acute and long term care members with developmental/intellectual disabilities are managed through the ADES Division of Developmental Disabilities.

**Durable Medical Equipment (DME), Customized** – Equipment that has been altered or built to specifications unique to a member's medical needs and which, most likely, cannot be used or reused to meet the needs of another individual. Refer to A.A.C. Title 9, Chapter 22, Article 2.

**Early and Periodic Screening, Diagnosis and Treatment (EPSDT)** – EPSDT is a comprehensive child health program of prevention, treatment, correction, and improvement (amelioration) of physical and mental health problems for AHCCCS members under the age of 21. The purpose of EPSDT is to ensure the availability and accessibility of health care resources as well as to assist Medicaid recipients in effectively utilizing these resources. EPSDT services provide comprehensive health care through primary prevention, early intervention, diagnosis, medically necessary treatment, and follow-up care of physical and behavioral health problems for AHCCCS members less than 21 years of age. 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 USC 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.

**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 Administration for members not enrolled with a Contractor. Refer to A.A.C. Title 9, Chapter 22, Article 1.

**Group Home for Developmentally Disabled** – A community residential facility for up to six residents that provides room, board, personal care, supervision and habilitation. The DD group home provides a safe, home-like family atmosphere which meets the physical and emotional needs for ALTCS members who cannot physically or functionally live independently in the community. ALTCS covers services except for room and board. Refer to A.A.C. Title 9, Chapter 33, Article 1 and A.R.S. § 36-551.

**Habilitation** – A service encompassing the provision of training in independent living skills or special developmental skills, sensory-motor development, orientation and mobility and behavior intervention. Physical, occupational or speech therapies, as set forth in Chapter 1200, may be provided as a part of or in conjunction with other habilitation services. This includes services such as day treatment and training and supportive employment. Refer to A.A.C. Title 9, Chapter 28, Article 2.

**Home and Community Based Alternative Residential Setting** – A living arrangement licensed or certified to provide room, board and health care, health related services and/or behavioral health services for AHCCCS members. Services provided to residents of these facilities may be covered by AHCCCS acute care and/or ALTCS; the cost of room and board is not covered. Alternative residential settings must be registered as an AHCCCS provider. Refer to A.A.C. Title 9, Chapter 28, Article 1 and Chapter 1200 of this Manual for additional information.

**Home and Community Based Services (HCBS)** - Services provided, in lieu of institutionalization, to ALTCS members who reside in their own home or in an ALTCS-approved HCB alternative residential setting in order to habilitate, rehabilitate or maintain the member's highest level of functioning. Members enrolled in the ALTCS Transitional Program also receive HCBS even though they are no longer at risk of institutionalization. Refer to 42 C.F.R. § 440.180 AND A.R.S. § 36-2939.

**Home Health Services** – The services provided by a home health agency (HHA) that coordinates in-home intermittent services for curative and/or habilitative care. This service is provided under the direction of a primary care provider (PCP) or an attending physician to prevent undue hospitalization or institutionalization and may include home health aide services, licensed nurse services, medical supplies, equipment and appliances. Refer to 42 C.F.R. § 440.70 and A.R.S. § 36.2939.



**Indian Health Service (IHS)** – A Federal agency pursuant to 25 USC 1661.

**Inpatient Psychiatric Facility** – A non-hospital setting which covers inpatient psychiatric or substance abuse treatment and room and board. These include:

1. **Level I Residential Treatment Centers (RTC)** – A RTC is an inpatient psychiatric facility for persons under the age of 21 that provides psychiatric services. These facilities are licensed as a Level I facility by the ADHS/Office of Behavioral health Licensure (OBHL), and, to qualify for Title XIX certification, must be accredited by the Joint Commission on Accreditation of Healthcare Organizations (JCAHO), the Rehabilitation Accreditation Commission (CARF) or the Council on Accreditation (COA).
2. **Level I Sub-Acute Facility** – A psychiatric facility that provides continuous treatment to individuals experiencing a behavioral issue causing actions that include the person being a danger to self or others, exhibiting impaired judgment and/or a diminished capacity to care for self. The facility must be licensed by the ADHS/OBHL and, to qualify for Title XIX certification, must be accredited by JCAHO, the CARF or COA.

Refer to the AHCCCS Behavioral Health Services Guide for further information regarding services and settings.

**Institution for Mental Diseases (IMD)** – Under 42 C.F.R. 435.1010, an institution (excluding acute care hospitals with psychiatric units) having more than 16 beds that is primarily engaged in providing diagnosis, treatment or care of persons with mental diseases, including medical attention, nursing care, room and board and related services. These include:

1. Level I Psychiatric Hospital (Medicare certified)
2. Level I Residential Treatment Center with more than 16 beds
3. Level I Sub-Acute Facility with more than 16 beds
4. Nursing facility (Medicare certified) with more than 16 beds and more than 50% of patients being primarily treated for mental disease.

Services received by AIHP/FFS or Tribal ALTCS Title XIX members in an IHS or 638 inpatient psychiatric facility considered to be an IMD may be reimbursable for members under 21 years and over 64 years of age. AIHP/FFS or Tribal ALTCS members who turn 21, while residing in the IMD, may continue to receive services until the point in time in which services are no longer required, or the members turn age 22, whichever comes first, in accordance with 42 C.F.R. 441.51. This is not applicable to TRBHA settings.



Services received by KidsCare (Title XXI) members in an inpatient psychiatric facility considered to be an IMD may be reimbursable if the member is already eligible for Title XXI. However, Federal regulations prohibit application or redetermination for Title XXI while the member is a resident in an IMD.

Refer to the Behavioral Health Services Guide for further information regarding services and settings.

**Intermediate Care Facility (ICF)** – An institution or distinct part of an institution licensed to provide health-related care and nursing services to individuals who do not require the degree of care and treatment provided by a hospital or skilled nursing facility, but who require care and services beyond room and board.

**Intermediate Care Facility for the Mentally Retarded (ICF/MR)** – A health care institution, which is Medicaid certified through the ADHS and monitored by the ADES, providing room, board and a continuous active treatment program of health and rehabilitation services to individuals with mental retardation or related conditions. Services are a higher level of care than provided through personal care but less intensive than skilled nursing care. A unit of service is one 24-hour day and includes ongoing evaluation, planning and supervision of residents in addition to coordination and integration of individualized health, habilitative or rehabilitative services as needed by each individual.

**KidsCare Program** – Federal and State Children’s Health Insurance Program (Title XXI - SCHIP) administered by AHCCCS. The KidsCare Program offers comprehensive medical preventive and treatment services and a full array of behavioral health care services statewide to eligible children under the age of 19, in households with income at or below 200% FPL. AHCCCS has agreements with Contractors, the Indian Health Service and 638 Tribal Facilities for services to be provided to members. All members, except American Indian members, are required to pay a premium amount based on the number of children in the family and the gross family income.

**Medical Foods** – Metabolic formula or modified low protein foods that are produced or manufactured specifically for members with a qualifying metabolic disorder and that are not generally used by persons in the absence of a qualifying metabolic disorder. Soy formula is also included within the limitations set by Chapter 300, Policy 320, Medical Foods, when used by members diagnosed with galactosemia.

**Medical Services** – 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.



**Medically Necessary** – As defined in 9 A.A.C 22, Article 1. Medically necessary means a covered service provided by a physician or other licensed practitioner of the healing arts within the scope of practice under State law to prevent disease, disability or other adverse conditions or their progression, or prolong life.

**Members** – As defined in A.R.S. §§ 36-2901.01, 36-2931 and 36-2981, individuals eligible for AHCCCS services, based on their income and resources, citizenship, Arizona residency and/or medical condition, who are enrolled with an AHCCCS Contractor or are FFS.

**Nursing Facility (NF)** – A health care facility that is licensed and Medicare/Medicaid certified by ADHS in accordance with 42 C.F.R. 483 to provide inpatient room, board and nursing services to members who require these services on a continuous basis but who do not require hospital care or direct daily care from a physician.

**Own Home** – The ALTCS member's residential dwelling, including a house, a mobile home, an apartment, or similar shelter. A home is not an institution or an ALTCS HCB approved alternative residential setting. Refer to 9 A.A.C. 28, Article 1.

**Prepaid Medical Management Information System (PMMIS)** – A statewide automated system that processes and reports on behalf of AHCCCS.

**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 a person 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 nurse practitioner licensed under A.R.S. Title 32, Chapter 15. The PCP must be an individual, not a group or association of persons, such as a clinic.

**Prior Authorization (PA)** – Process by which AHCCCS DFSM/PA or Contractors approve a service subject to medical review later for appropriateness and coverage for payment. Prior authorization is not a guarantee of payment. Refer to 9 A.A.C. 22, Article 1.

**Prior Period Coverage (PPC)** – PPC is the period of time prior to the member's enrollment during which a member is eligible for covered services. The timeframe is from the effective day of eligibility to the day a member is enrolled with a Contractor. Refer to 9 A.A.C. 22, Article 1.



**Private Duty Nursing Services** – Nursing services for ALTCS members who require more individual and continuous care than is available from a nurse providing intermittent care. These services are provided by a registered nurse or licensed practical nurse under the direction of the ALTCS member's primary care provider or attending physician. ALTCS Contractors who employ independent nurses to provide private duty nursing must develop oversight activities to monitor service delivery and quality of care. Refer to 42 C.F.R. 440.80 and Chapter 1200 of this Manual for more information.

**Regional Behavioral Health Authority (RBHA)** – An organization under contract with the ADHS to administer covered behavioral health services in a geographically specific service area of the State. Tribal governments, through an agreement with the ADHS, may operate a Tribal Regional Behavioral Health Authority (TRBHA) for the provision of behavioral health services to American Indian members living on-reservation. Refer to A.R.S. § 36-3401 and A.R.S. Title 9, Chapter 22, Article 12.

**Religious Non-medical Health Care Institutions** – Religious facilities that provide only non-medical items and services exclusively to inpatients on a 24-hour basis through non-medical nursing personnel, who are experienced in caring for the physical needs of such patients. These facilities, on the basis of its religious beliefs, do not provide, through its personnel or otherwise, medical items and services (including any medical screening, examination, diagnosis, prognosis, treatment or the administration of drugs) for its patients. These institutions are lawfully operated under all applicable Federal, State and local laws and regulations, but are exempt from being licensed or certified. Refer to 42 C.F.R. 440.170.

**Residential Treatment Center (RTC)** – Refer to Inpatient Psychiatric Facility.

**Respite Care** – A service that provides short-term care and supervision to relieve primary caregivers. Respite care is only available for temporary relief of caregivers who are unpaid.

In the ALTCS program, it is a service provided in a NF or a HCB setting to an individual if necessary to relieve a family member or other person caring for the individual. Respite care is available for up to 24 hours per day and is limited to 720 hours per year. Refer to A.A.C. Title 9, Chapter 22, Article 12 and A.A.C. Title 9, Chapter 22, Article 1.

**Rural Substance Abuse Transitional Agency** – An agency, located in a county with fewer than 500,000 individuals, that provides behavioral health services to an individual who is intoxicated or has a substance abuse problem. Refer to A.A.C. Title 9, Chapter 20, Article 1.



**Skilled Nursing Facility (SNF)** – A facility or distinct part of an institution that is licensed to provide inpatient care of persons requiring skilled nursing services for a chronic disease or convalescence over a prolonged period.

**Special Health Care Needs** – Serious and chronic physical, developmental and/or behavioral health conditions. Members with special health care needs require medically necessary services of a type or amount beyond that required by members generally.

**Telemedicine** – The delivery of diagnostic, consultation and treatment services that occur in the physical presence of the member on a real time basis through interactive audio, video and data communications, as well as the transfer of medical data on a store and forward basis for diagnostic or treatment consultations. Refer to A.R.S. § 36-3601.

**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 those eligible under 1931 Provisions of the Social Security Act, Sixth Omnibus Budget Reconciliation Act (SOBRA), Supplemental Security Income (SSI), SSI-related groups, Title XIX Waiver groups, Medicare cost sharing groups, Breast and Cervical Treatment Program and Freedom to Work Program.

**Title XXI** – Referred to in Federal legislation as the State Children’s Health Insurance Program (SCHIP), 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. In Arizona, the SCHIP program is known as KidsCare.



**E. FEDERAL AND STATE REFERENCES FOR AHCCCS SERVICES**

USC – United States Code

C.F.R. – Code of Federal Regulations

A.R.S. – Arizona Revised Statutes

A.A.C. – Arizona Administrative Code (Rules)

**Administration:**

1. 42 C.F.R. Part 431, Subpart M. Relations with Other Agencies.
2. A.R.S. Title 36, Chapter 29. Arizona Health Care Cost Containment System Administration. Article 1. Arizona Health Care Cost Containment System; Article 2. Arizona Long-Term Care System; Article 3. Qualified Medicare Beneficiary; Article 4. Children’s Health Insurance Program; Article 5. Comprehensive Care for the Elderly Program.
3. A.A.C.
  - a. A.A.C. Title 9, Chapter 22. Arizona Health Care Cost Containment System - Administration.
  - b. A.A.C. Title 9, Chapter 27. Arizona Health Care Cost Containment System – Healthcare Group Coverage.
  - c. A.A.C. Title 9, Chapter 28. Arizona Health Care Cost Containment System – Arizona Long Term Care System.
  - d. A.A.C. Title 9, Chapter 29. Arizona Health Care Cost Containment System – Medicare Cost Sharing Program.
  - e. A.A.C. Title 9, Chapter 31. Arizona Health Care Cost Containment System – Children’s Health Insurance Program.
  - f. A.A.C. Title 9, Chapter 34. Arizona Health Care Cost Containment System – Grievance System.



**Assisted Living Facility:**

1. 42 C.F.R. Part 483, et seq. Requirements for State and Long Term Care Facilities.
2. A.R.S. Title 36, Chapter 4. Health Care Institutions. Article 1. General Provisions; Article 2. License Provisions.
3. A.A.C. Title 9, Chapter 10, Article 7. Assisted Living Facilities.

**Adult Day Health Care:**

1. A.R.S. Title 36, Chapter 4. Health Care Institutions. Article 1, General Provisions; Article 2. License Provisions.
2. A.A.C. Title 9, Chapter 10, Article 5. Adult Day Health Care Facilities.

**Adult Foster Care Home:**

1. A.R.S.
  - a. A.R.S. Title 36, Chapter 4. Health Care Institutions. Article 1, General Provisions; Article 2. License Provisions.
  - b. A.R.S. Title 11, Chapter 2, Article 7. Medical Facilities and Care of Indigents.
2. A.A.C. Title 9, Chapter 10, Article 7. Assisted Living Facilities.

**Behavioral Health Adult Therapeutic Home:**

1. A.A.C. Title 9, Chapter 20, Article 15. Adult Therapeutic Foster Home.

**Behavioral Health Agencies, I, II, and III:**

1. A.R.S. Title 36, Chapter 4, Health Care Institutions. Article 1, General Provisions; Article 2. License Provisions.
2. A.A.C. Title 9, Chapter 20. Department Of Health Services – Behavioral Health Service Agencies: Licensure.



**Home Health Agencies:**

1. 42 C.F.R. Part 484, et seq. Home Health Services.
2. A.R.S. Title 36, Chapter 4, Health Care Institutions. Article 1, General Provisions; Article 2. License Provisions.
3. A.A.C. Title 9, Chapter 10, Article 11. Home Health Agencies.

**Hospice Care:**

1. 42 C.F.R. Part 418 et seq. Hospice Care.
2. A.R.S. Title 36, Chapter 4, Health Care Institutions. Article 1, General Provisions; Article 2. License Provisions.
3. A.A.C. Title 9, Chapter 10, Article 8. Hospices; Hospice Inpatient Facilities.

**Indian Health Care Service Facilities:**

42 C.F.R. Part 431, Subpart C. Participation by Indian Health Service Facilities.

**Inpatient Psychiatric Services for Individuals under Age 21:**

1. C.F.R.
  - a. 42 C.F.R. Part 435, Subpart K. Federal Financial Participation.
  - b. 42 C.F.R. 440.160. Inpatient Psychiatric Services for Individuals under Age 21.
  - c. 42 C.F.R. Part 441, Subpart D. Inpatient Psychiatric Services for Individuals Under Age 21 in Psychiatric Facilities or Programs.
  - d. 42 C.F.R. Part 456, Subpart G. Inpatient Psychiatric Services for Individuals under Age 21: Admission and Plan of Care Requirements.
2. A.R.S.
  - a. A.R.S. Title 36, Chapter 4, Article 2. License Provisions.
  - b. A.R.S. Title 36, Chapter 5. Mental Health Services.



3. A.A.C. Title 9, Chapter 20, Article 1. General; Article 2. Universal Rules; Article 4. Residential Agency Requirements; Article 5. Inpatient Treatment Program Requirements; Article 6. Use of Restraint or Seclusion.

**Institutions for Mental Disease for Individuals:**

1. C.F.R.
  - a. 42 C.F.R. Part 435, Subpart K. Federal Financial Participation.
  - b. 42 C.F.R. 440.140. Inpatient Hospital Services, Nursing Facility Services, and Intermediate Care Facilities for Individuals Age 65 or Older in Institutions for Mental Diseases.
  - c. 42 C.F.R. Part 441, Subpart C. Medicaid for Individuals Age 65 or Older in Institutions for Mental Diseases.
  - d. 42 C.F.R. Part 456, Subpart A. General Provisions; Subpart B. Utilization Control: All Medicaid Services; Subpart C. Utilization Control: Hospitals; Subpart D. Utilization Control: Mental Hospitals; Subpart H. Utilization Review Plans: FFP, Waivers, and Variances for Hospitals and Mental Hospitals; Subpart I. Inspections of Care in Intermediate Care Facilities and Institutions for Mental Diseases; Subpart J. Penalty for Failure to Make a Satisfactory Showing of an Effective Institutional Utilization Control Program.
  - e. 42 C.F.R. Part 482, et seq. Conditions of Participation for Hospitals.
2. A.R.S.
  - a. A.R.S. Title 36, Chapter 4, Article 2. License Provisions.
  - b. A.R.S. Title 36, Chapter 5. Mental Health Services.
3. A.A.C. Title 9, Chapter 20, Article 1. General; Article 2. Universal Rules; Article 4. Residential Agency Requirements; Article 5. Inpatient Treatment Program Requirements; Article 6. Use of Restraint or Seclusion.



**Intermediate Care Facility for Mentally Retarded:**

1. C.F.R.
  - a. 42 C.F.R. Part 442, et seq. Standards for Payment to Nursing Facilities and Intermediate Care Facilities for the Mentally Retarded.
  - b. 42 C.F.R. Part 483, Subpart I. Conditions of Participation for Intermediate Care Facilities for the Mentally Retarded.

**Nursing Facilities:**

1. Omnibus Budget Reconciliation Act of 1987, (OBRA).
2. C.F.R.
  - a. 42 C.F.R. Part 442, et seq. Standards for Payment to Nursing Facilities and Intermediate Care Facilities for the Mentally Retarded.
  - b. 42 C.F.R. Part 456, Subpart A. General Provisions; Subpart B. Utilization Control: All Medicaid Services; Subpart H. Utilization Review Plans: FFP, Waivers, and Variances for Hospitals and Mental Hospitals; Subpart I. Inspections of Care in Intermediate Care Facilities and Institutions for Mental Diseases; Subpart J. Penalty for Failure to Make a Satisfactory Showing of an Effective Institutional Utilization Control Program.
  - c. 42 C.F.R. Part 483, Subpart B. Requirements for Long Term Care Facilities; Subpart C. Preadmission Screening and Annual Review of Mentally Ill and Mentally Retarded Individuals; Subpart D. Requirements that Must Be Met by States and State Agencies: Nurse Aide Training and Competency Evaluation, and Paid Feeding Assistants.
3. A.R.S.
  - a. A.R.S. Title 36, Chapter 4. Health Care Institutions. Article 1. General Provisions; Article 2. License Provisions; Article 3. Review of Rates, Rules and Regulations; Article 7. Nursing Care Institutions; Requirements for Service Delivery.
  - b. A.R.S. Title 36, Chapter 29, Article 2. Arizona Long-Term Care System.
4. A.A.C. Title 9, Chapter 10, Article 1 General; Article 9. Nursing Care Institutions.



**Nurse Practitioners:**

1. 42 C.F.R. Part 440.166. Nurse Practitioner Services.
2. A.R.S. Title 32, Chapter 15. Nursing.
3. A.A.C. Title 4, Chapter 19, Article 5. Advanced and Extended Nursing Practice.

**Physician Assistants:**

1. A.R.S. Title 32, Chapter 25. Physician Assistants.
2. A.A.C. Title 4, Chapter 17. Arizona Regulatory Board of Physician Assistants.

**Respiratory Therapy:**

1. A.R.S. Title 32, Chapter 35. Respiratory Care.
2. A.A.C. Title 4, Chapter 45. Board of Respiratory Care Examiners.

**Therapies:**

42 C.F.R. 440.110. Physical Therapy, Occupational Therapy, and Services for Individuals with Speech, Hearing, and Language Disorders.

**1. Occupational Therapy:**

- a. A.R.S. Title 32, Chapter 34. Occupational Therapy.
- b. A.A.C. Title 4, Chapter 43. Board of Occupational Therapy Examiners.

**2. Physical Therapy:**

- a. A.R.S. Title 32, Chapter 19. Board of Physical Therapy.
- b. A.A.C. Title 4, Chapter 24, Article 2. Board of Physical Therapy.



3. **Speech Therapy:**

- a. A.R.S. Title 36, Chapter 17, Article 4. Audiology and Speech-Language Pathology.
- b. A.A.C., Title 9, Chapter 16, Article 2. Licensing Audiologists and Speech-Language Pathologists.