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**KATIE HOBBS**  
GOVERNOR  
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DIRECTOR

December 12, 2025

Jean Kalbacher  
Chief Executive Officer  
UnitedHealthcare Community Plan LTC  
1 East Washington Street, Suite 800  
Phoenix, AZ, 85004

SUBJECT: Notice of Mandated Corrective Action Plan: Home and Community Based Settings Rule Heightened Scrutiny Process

Dear Ms. Kalbacher,

To finalize the state's compliance with the Home and Community Based Settings (HCBS) Rules' Heightened Scrutiny process, the Centers for Medicaid and Medicare (CMS) has reviewed the state's heightened scrutiny setting package submissions, including settings that receive quality monitoring by UnitedHealthcare Community Plan Long Term Care (UnitedHealthcare LTC). The CMS findings detailed in this Corrective Action Plan for those settings are the responsibility of UnitedHealthcare LTC to address. Per CMS [HCBS Rules requirements](#) and the [State Transition plan](#), AHCCCS must demonstrate settings that meet the Heightened Scrutiny criteria have overcome the presumption that they are institutional in nature. Therefore, the HCBS Rules quality monitoring assessment, and related documentation, must demonstrate the settings are not isolating members from their communities and not violating members rights under the HCBS Rules, unless there is health and safety risk documented in the Person-Centered Service Plan (PCSP).

AHCCCS and CMS have agreed to the actions outlined for each finding below. UnitedHealthcare LTC is obligated to complete the remediation process and submit required documentation that supports evidence of compliance. The documentation must be sent to Danielle Ashlock via email ([Danielle.Ashlock@azahcccs.gov](mailto:Danielle.Ashlock@azahcccs.gov)), with a cc to your AHCCCS Operations and Compliance Officer, no later than close of business on **February 27, 2026**. Please note that some remediation steps may necessitate PCSP meetings and/or provider site visits.

Any reference to an attestation in the findings is AHCCCS' responsibility. AHCCCS will summarize the documentation for all the settings to attest to the state's compliance with the Heightened Scrutiny criteria. UnitedHealthcare LTC obligation is to provide documentation as evidence to support the compliance of each setting addressing CMS' setting-specific findings.

In addition to remediating the findings below, CMS is requiring the state to develop and implement training for staff in all settings that are required to comply with the HCBS Rules. AHCCCS is mandating

the health plans to work collaboratively to develop and implement training. The health plans must, at a minimum, avail themselves of the Workforce Development Administrators, but may include other resources as deemed necessary. By close of business on **February 27, 2026** each health plan must submit a jointly developed training plan, in addition to the remediation documentation and evidence detailed above, that includes, at a minimum, the following information:

- Staff competencies to inform curriculum development,
- Training curriculum outline,
- Tools for supervisors to use when evaluating the staff competencies,
- Implementation methods, including tracking provider compliance and annual refresher training,
- Timeline for the completion of the training content, and
- Timeline for completion of the initial deployment of the training, including any health plan specific responsibilities

AHCCCS will review and approve the training plan prior to directing the health plans to finalize and implement the training. AHCCCS also retains final approval rights of the training curriculum.

AHCCCS has scheduled a meeting on December 18, 2025, at Noon with Health Plan Compliance Officers and HCBS Quality Management leads to address any questions regarding this notice. In addition to the meeting, you may also reach out to Danielle Ashlock ([Danielle.Ashlock@azahcccs.gov](mailto:Danielle.Ashlock@azahcccs.gov)) at any time throughout this process.

Sincerely,

DocuSigned by:



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Meggan LaPorte, CPPO, MSW

AHCCCS Chief Procurement Officer

cc: Michael Williams, UnitedHealthcare LTC Contract Compliance Officer  
Lola Davis, AHCCCS Operations Compliance Officer  
Jakenna Lebsock, AHCCCS Assistant Director  
Dara Johnson, AHCCCS Program Development Officer  
Danielle Ashlock, AHCCCS ALTCS Project Manager

<p><b>Name of Setting: Haven of Camp Verde Assisted Living Facility</b>  <b>Address: 86 W Salt Mine Rd, Camp Verde, AZ</b></p>
<p><b>CMS Finding #1</b></p>
<p>Attestation from the state through the review of person-centered service plans and/or interviews with individuals residing in the setting that:</p> <ul style="list-style-type: none"> <li>• the setting is selected by the individual from among a variety of setting options including non-disability specific settings t [42 CFR 441.301 (c)(4)(ii)]; and</li> <li>• the setting options are identified and documented in the person-centered service plan and are based on the individual's needs, preferences, and, for residential settings, resources available for room and board. [42 CFR 441.301(c)(4)(ii)].</li> </ul>
<p><b>Remediation</b></p>
<ol style="list-style-type: none"> <li>1. UnitedHealthcare Community Plan LTC (UHCCP LTC) shall review the PCSPs for each member residing in the setting to ensure documentation in the PCSP details choices the member made in their home selection. If that documentation is not present, the PCSP must be updated in consultation with the member/Health Care Decision Maker to reflect that decision.</li> <li>2. A copy of the PCSP, with the required information highlighted, shall be provided to AHCCCS.</li> <li>3. UHCCP LTC shall create a remediation plan outlining steps to be undertaken to ensure documentation in the PCSP, for all members residing in provider owned and controlled settings, will include details regarding the member’s choice to reside in a particular setting based upon their needs, preferences and resources for room and board. The remediation plan shall be provided to AHCCCS.</li> </ol>
<p><b>CMS Finding #2</b></p>
<p>Attestation that only appropriate staff having keys to doors [42 CFR 441.301(c)(4)(vi)(B)(1)].</p>
<p><b>Remediation</b></p>
<ol style="list-style-type: none"> <li>1. UHCCP LTC shall create a remediation plan with the provider outlining the steps that will be taken to come into compliance by having lockable doors available to all members residing in the setting with only appropriate staff having access to the keys to individual’s room. The remediation plan shall, at a minimum, include efforts to educate the provider and staff about member rights under the HCBS Rules and inappropriate blanket restrictions. The plan should also detail UHCCP LTC’s validation of the completed remediation plan. The remediation plan shall be provided to AHCCCS.</li> <li>2. If members do not have lockable doors because of health and safety risks, a copy of the PCSP, highlighting this information in the “Modifications to Plan Through Restriction of Member’s Rights” section, shall be provided to AHCCCS. If that documentation is not present, the PCSP must be updated in consultation with the member/Health Care Decision Maker.</li> <li>3. UHCCP LTC shall create a remediation plan outlining steps to ensure documentation in the HCBS Rules quality monitoring assessment details the setting’s compliance with lockable doors for all members including an examination and notation of any individualized right’s restrictions documented in the PCSP to ensure compliance. The remediation plan shall be provided to AHCCCS.</li> </ol>
<p><b>CMS Finding #3</b></p>
<p>Confirmation that any modifications to the additional conditions under 441.301(c)(4)(vi)(A) through (D) are supported by a specific assessed need and justified in the person-centered service plans. [42 CFR 441.301(c)(4)(vi)(F)]. The MCO indicated that facility staff will ensure that residents are assessed for the need of individualized modifications upon admission and as needed throughout their stay. Please confirm this is included in the individuals person-centered support plan (PCSP), included in the person’s plan by a conflict free entity, and follow all of the requirements for implementation and documentation in the PCSP.</p>

<b>Remediation</b>
<ol style="list-style-type: none"> <li>1. UHCCP LTC shall review the PCSPs for each member residing in the setting to ensure documentation in the PCSP does include an individualized assessment (not based on diagnosis) of health and safety risks in the “Modifications to Plan Through Restriction of Member’s Rights” section. If that documentation is not compliant, the PCSP must be updated in consultation with the member/Health Care Decision Maker.</li> <li>2. A copy of the PCSP, with the required information highlighted shall be provided to AHCCCS.</li> <li>3. UHCCP LTC shall create a remediation plan outlining steps to ensure documentation in the PCSP in the “Modifications to Plan Through Restriction of Member’s Rights” section is member specific and not based on diagnosis. UHCCP LTC shall also create a remediation plan to ensure meaningful review of the PCSPs during the HCBS Rules quality monitoring assessment process to ensure rights restrictions are documented and individually implemented in provider owned and controlled settings.</li> </ol>
<b>CMS Finding #4</b>
<p>Confirmation through review of provider policies and/or observational data collected by the state during the onsite visit that individuals sharing units have a choice of roommates in that setting [42 CFR 441.301(c)(4)(vi)(B)(2)]. The state notes that changes can be made and that the member interviewed indicated that they chose their roommate as their were no other options. Please verify that there is a process in place where individuals can choose their roommates upon move-in where there are options available.</p>
<b>Remediation</b>
<ol style="list-style-type: none"> <li>1. UHCCP LTC shall review the PCSPs for each member residing in the setting to ensure documentation in the PCSP details choices the member made in their roommate selection. If that documentation is not compliant, the PCSP must be updated in consultation with the member/Health Care Decision Maker.</li> <li>2. A copy of the PCSP, with the required information highlighted, shall be provided to AHCCCS.</li> <li>3. UHCCP LTC shall create a remediation plan outlining steps to ensure documentation in the PCSP and the setting’s service plan, if applicable, will include details regarding the member’s choice to in roommate selection initially and upon move-in. UHCCP LTC shall provide a copy of the plan to AHCCCS.</li> </ol>
<b>CMS Finding #5</b>
<p>Verification that individuals have control over their own schedules, and that the variation and frequency of engagement in community activities of individuals’ choosing (including group and individual outing options in the broader community) are consistent with the preferences and desires outlined in each individual’s person-centered plan as identified through a review of the person-centered service plan, setting activity records/notes and/or direct on-site observation [42 CFR 441.301(c)(4)(i) &amp; 42 CFR 441.301(c)(4)(vi)(C)]. The summary included that, “The MCO verified residents’ activities are assessed and scheduled based off of the time preferences of the residents and the residence schedule is posted so all residents can have the opportunity to participate.” This statement needs clarification. It is not clear what is meant by time preference and if the individual’s schedule is then posted. Also please clarify how the state determined the setting has met the criterion that group and individual outing options in the broader community are consistent with the preferences and desires outline in each individual’s person-centered service plan.</p>
<b>Remediation</b>
<ol style="list-style-type: none"> <li>4. UHCCP LTC shall review the PCSPs for each member residing in the setting to ensure documentation in the PCSP details choices the member made on how they spend their day, activities, schedules, and community engagement. If that documentation is not compliant, the PCSP must be updated in consultation with the member/Health Care Decision Maker.</li> </ol>

1. A copy of the PCSP, with the required information highlighted, shall be provided to AHCCCS.
2. UHCCP LTC shall create a remediation plan with the provider outlining the actions taken to ensure the member is supported to control their own schedules. The plan should also detail UHCCP LTC’s validation of the completed remediation plan. A copy of the plan and supporting documentation that demonstrates the provider’s compliance shall be provided to AHCCCS.

**Name of Setting: The Peaks Senior Living  
Address: 3150 N Winding Brook RD, Flagstaff, AZ**

**CMS Finding #1**

Attestation from the state through the review of person-centered service plans and/or interviews with individuals residing in the setting that:

- the setting is selected by the individual from among a variety of setting options including non-disability specific settings t [42 CFR 441.301 (c)(4)(ii)]; and
- the setting options are identified and documented in the person-centered service plan and are based on the individual's needs, preferences, and, for residential settings, resources available for room and board. [42 CFR 441.301(c)(4)(ii)].

**Remediation**

1. UnitedHealthcare Community Plan LTC (UHCCP LTC) shall review the PCSPs for each member residing in the setting to ensure documentation in the PCSP details choices the member made in their home selection. If that documentation is not present, the PCSP must be updated in consultation with the member/Health Care Decision Maker to reflect that decision.
2. A copy of the PCSP, with the required information highlighted, shall be provided to AHCCCS.
3. UHCCP LTC shall create a remediation plan outlining steps to be undertaken to ensure documentation in the PCSP, for all members residing in provider owned and controlled settings, will include details regarding the member’s choice to reside in a particular setting based upon their needs, preferences and resources for room and board. The remediation plan shall be provided to AHCCCS.

**CMS Finding #2**

Attestation that only appropriate staff have keys to individuals’ doors [42 CFR 441.301(c)(4)(vi)(B)(1)].

**Remediation**

1. UHCCP LTC shall create a remediation plan with the provider outlining the steps that will be taken to come into compliance by having lockable doors available to all members residing in the setting with only appropriate staff having access to the keys to individual’s room. The remediation plan shall, at a minimum, include efforts to educate the provider and staff about member rights under the HCBS Rules and inappropriate blanket restrictions. The plan should also detail UHCCP LTC’s validation of the completed remediation plan. The remediation plan shall be provided to AHCCCS.
2. If members do not have lockable doors because of health and safety risks, a copy of the PCSP, highlighting this information in the “Modifications to Plan Through Restriction of Member’s Rights” section, shall be provided to AHCCCS. If that documentation is not present, the PCSP must be updated in consultation with the member/Health Care Decision Maker.
3. UHCCP LTC shall create a remediation plan outlining steps to ensure documentation in the HCBS Rules quality monitoring assessment details the setting’s compliance with lockable doors for all members including an examination and notation of any individualized right’s restrictions documented in the PCSP to ensure compliance. The remediation plan shall be provided to AHCCCS.

**CMS Finding #3**

Confirmation that any modifications to the additional conditions under 441.301(c)(4)(vi)(A) through (D) are supported by a specific assessed need and justified in the person-centered service plans. [42 CFR 441.301(c)(4)(vi)(F)]. Modifications are noted as blanket restrictions in the evidence/narrative provided (i.e., policy restrictions on door locks, the ability for individuals to come/go from the facility as desired, full access to the facility's kitchen and laundry, all based on cognitive ability). The state must assure that modifications are implemented per the setting rule. Restrictions are noted in the narrative based on risk assessment, but there's no evidence they are documented fully per the settings requirements in the person-centered service plan.

#### Remediation

1. UHCCP LTC shall review the PCSPs for each member residing in the setting to ensure documentation in the PCSP does include an individualized assessment (not based on diagnosis) of health and safety risks in the "Modifications to Plan Through Restriction of Member's Rights" section. If that documentation is not compliant, the PCSP must be updated in consultation with the member/Health Care Decision Maker.
2. A copy of the PCSP, with the required information highlighted shall be provided to AHCCCS.
3. UHCCP LTC shall create a remediation plan outlining steps to ensure documentation in the PCSP in the "Modifications to Plan Through Restriction of Member's Rights" section is member specific and not based on diagnosis. UHCCP LTC shall also create a remediation plan to ensure meaningful review of the PCSPs during the HCBS Rules quality monitoring assessment process to ensure rights restrictions are documented and individually implemented in provider owned and controlled settings.