

Notice:

Pursuant to 42 C.F.R 431.408, the Arizona Health Care Cost Containment System (AHCCCS), Arizona's Medicaid Agency, is required to submit a public notice of its intent to submit a Section 1115 Waiver Amendment to the Centers for Medicare and Medicaid Services (CMS). At the direction of the Arizona State Legislature and upon CMS approval, AHCCCS is proposing to implement the following requirements for "able-bodied adults" receiving Medicaid services:

Proposed Additional Eligibility Requirements under the Demonstration as Amended: (1) The requirement for all able-bodied adults to become employed or actively seek employment or attend school or a job training program; (2) The requirement for able-bodied adults to verify on a monthly basis compliance with the work requirements and any changes in family income; (3) The authority for AHCCCS to ban an eligible person from enrollment for one year if the eligible person knowingly failed to report a change in family income or made a false statement regarding compliance with the work requirements; and (4) The authority for AHCCCS to limit lifetime coverage for all able-bodied adults to five years except for certain circumstances.

Proposed Cost Sharing Requirements under the Demonstration as Amended: The cost sharing requirements for persons impacted by this proposed demonstration amendment will not vary from the State's current program features as described in the current State Plan and Demonstration.

Proposed Changes to the Delivery System under the Demonstration as Amended: The delivery system for persons impacted by this proposed demonstration amendment will not vary from the State's current program features as described in the current State Plan and Demonstration.

Proposed Changes to Benefit Coverage under the Demonstration as Amended: The benefit coverage for persons impacted by this proposed demonstration amendment will not vary from the State's current program features as described in the current State Plan and Demonstration.

Hypothesis and Evaluation Parameters of the Demonstration: The demonstration will test whether authorizing work requirements and life time coverage limits for "able-bodied adults" enrolled in AHCCCS will increase employment rate for those beneficiaries. AHCCCS is proposing to test a series of hypotheses that will allow the state to: 1) evaluate its success in achieving the overall goals of the demonstration; and 2) identify opportunities for improvement to strengthen the demonstration.

Specific Waiver and Expenditure Authorities: AHCCCS seeks waiver from 1902(a)(10)(A) to enable the State to impose work requirements for "able-bodied adults"; require beneficiaries to verify on a monthly basis compliance with the work requirements and any changes in family income; enable the State to ban an eligible person from enrollment for one year if the eligible person knowingly failed to report a change in family income or made a false statement regarding compliance with the work requirements; and limit lifetime coverage for all able-bodied adults to five years except for certain circumstances.

Senate Bill 1092 was passed during the First Regular Session of 2015. The legislation requires AHCCCS to apply to CMS by March 30 of each year for a waiver or amendments to the current Section 1115 Waiver to allow the State to implement the requirements stated above. Information about the legislation can be found on the legislative website at the following link: <https://apps.azleg.gov/BillStatus/BillOverview/66346>.

Public hearings (also called community forums) where the public can provide comments and questions about the proposed waiver amendment will be held during the following times and locations:

**Date:** Tuesday, January 17, 2017

**Location:** Phoenix, Arizona

**Address:** Ability360 – Nina Mason Pulliam Conference Center, 5025 E. Washington St, Suite 200, Phoenix, AZ 85034

**Session 1 Time:** 9:00am – 11:00am

**Session 2 Time:** 11:30am – 1:30pm

**Call-in Information:** 1-877-820-7831; Participation Passcode: 992862

**Date:** Wednesday, January 18, 2017

**Location:** Phoenix, Arizona (Tribal Consultation Meeting)

**Address:** Native Health – 2nd Floor Conference Room, 4041 N. Central Ave., Phoenix, AZ 85012

**Time:** 9:00am – 12:00pm

**Call-in Information:** 1-877-820-7831; Participation Passcode: 108903

**Date:** Friday, January 27, 2017

**Location:** Tucson, Arizona

**Address:** Banner University Medical Center, South Campus—LaGleria Conference Room,  
2800 E. Ajo Way, Tucson, AZ 85713

**Time:** 10:00am – 12:00pm

**Call-in Information:** 1-877-820-7831; Participation Passcode: 992862

**Date:** Monday, January 30, 2017

**Location:** Flagstaff, Arizona

**Address:** Flagstaff Medical Center – McGee Auditorium, 1200 N. Beaver St, Flagstaff, AZ 86001

**Time:** 1:30pm – 3:30pm

**Call-in Information:** 1-877-820-7831; Participant Passcode: 992862

Comments and questions about the proposed Demonstration application can also be submitted by e-mail to: [PublicInput@azahcccs.gov](mailto:PublicInput@azahcccs.gov) or by mail to: AHCCCS c/o Office of Intergovernmental Relations; 801 E. Jefferson Street, MD 4200, Phoenix, AZ 85034. All comments must be received by **February 28, 2017**. More information about the proposed waiver amendment, including the proposed waiver application and the full public notice and public input process, can be found on the AHCCCS website at:

<https://azahcccs.gov/Resources/Federal/sb1092legislativedirectivewaiverproposal.html>