

1721 - HOUSING AND HEALTH OPPORTUNITIES (H2O) PROVIDER REGISTRATION

EFFECTIVE DATE: 08/15/25

APPROVAL DATE: 05/22/25

I. PURPOSE

This Policy applies to ACC-RBHA, ALTCS E/PD, Housing and Health Opportunities (H2O) Program Administrator, and DES DDD (DDD) Contractors; Fee-For-Service (FFS) Programs including: the American Indian Health Program (AIHP), Tribal ALTCS, TRBHA; and all FFS populations, excluding Federal Emergency Services Program (FESP). (For FESP, refer to AMPM Chapter 1100). This Policy establishes requirements for the H2O Program Administrator and H2O Provider Enrollment.

II. DEFINITIONS

Refer to the [AHCCCS Contract and Policy Dictionary](#) for common terms found in this Policy.

For purposes of this Policy, the following terms are defined as:

ENHANCED SHELTER	A congregate setting with no more than 100 beds at the physical location or a non-congregate setting with individual rooms and no limit to the number of rooms at one physical location (e.g., hotel). Services are available 24/7 and include food, storage, access to hygiene and supportive services to support independent living and transition to a permanent housing destination.
HOUSING AND HEALTH OPPORTUNITIES (H2O) PROGRAM ADMINISTRATOR	The entity contracted with AHCCCS to provide administration of the Housing and Health Opportunities (H2O) program.
HOUSING AND HEALTH OPPORTUNITIES (H2O) PROVIDER	Entity skilled and trained in providing Outreach and/or Pre-Tenancy/Tenancy sustaining services that contracts directly with the H2O Program Administrator for the purpose of providing direct services to members.
STATEWIDE HOUSING ADMINISTRATOR	The entity contracted with AHCCCS to provide administration of the AHCCCS Housing Program (AHP).

III. POLICY

This Policy covers AHCCCS specific criteria for the H2O Program under the Arizona 1115 Demonstration Waiver approved by Centers for Medicare and Medicaid Services (CMS) on October 14, 2022. This Policy covers expectations administering the H2O program as defined in the AHCCCS implementation protocols approved by CMS.

A. H2O PROGRAM ADMINISTRATOR RESPONSIBILITIES FOR H2O PROVIDER ENROLLMENT

The H2O Program Administrator shall have systems and written policies in place for enrolling providers to its contracted provider network. The systems and policies shall address the application and registration process for the Statewide Housing Administrator, Enhanced Shelters, and the H2O Providers.

1. The H2O Program Administrator shall render an approval notice or denial decision in writing to the applicant within 45 days:
 - a. Approval:
 - i. Send an H2O approval notice to the applicant within 30 calendar days of their receipt of a timely, complete, and accurate application packet,
 - ii. Include a certificate number in the approval notice and maintain a database of approved providers with their associated certificate number, and
 - iii. Send a copy of the H2O approval notice to AHCCCS Division of Member and Provider Services (DMPS) Provider Enrollment.
 - b. Denial:
 - i. May include in the denial decision an invitation for the applicant to develop and implement a Corrective Action Plan (CAP) with an outline of information that is missing or inaccurate and shall be submitted by the applicant within a specified timeframe for the H2O Program Administrator to render a final decision, and
 - ii. Send a copy of the H2O denial decision to the AHCCCS DMPS Provider Enrollment.
2. During the application review process the H2O Program Administrator shall conduct an onsite visit at the physical location of the administrative office of the H2O Provider or the physical location of the Enhanced Shelter site.
3. Once the provider receives approval from the H2O Program Administrator, the Provider can move forward with enrolling with AHCCCS.

B. H2O PROVIDER ENROLLMENT WITH AHCCCS

1. The H2O Providers shall become a Community Partner – Community Assistor Organization (CP-AO). For further information, refer to the [Community Partner – Community Assistor Organization](#) web page on the AHCCCS website.

2. The H2O Provider applicants shall register with AHCCCS/Provider Enrollment as provider type “Enhanced Shelter”, or “H2O Health and Housing Opportunities” as specified on the Approval Notification from the H2O Program Administrator before billing for Title XIX reimbursable services. The H2O Provider applicants shall enroll using the AHCCCS Provider Enrollment Portal found at <https://azahcccs.gov/APEP>. The H2O Provider applicants establishing more than one H2O location shall submit a separate provider enrollment application for each physical location.
3. The documentation submitted by the H2O Provider applicant to AHCCCS Provider Enrollment shall be consistent with the information provided on the application submitted to the H2O Program Administrator to avoid unnecessary delays in obtaining an AHCCCS provider identification number.
4. The H2O Provider applicant shall determine which provider type to register as, either “Enhanced Shelter” or “H2O Health and Housing Opportunities” as specified on the Approval Notification from the H2O Program Administrator and shall complete the associated application.
5. The direct service staff members of the H2O Provider applicant shall meet all AHCCCS, and the H2O Program requirements as specified in this Policy and AMPM Exhibits 1720-1, 1720-2, and 1720-3 such as competency, training, licensure, and professional experience requirements, before providing services.
6. The H2O Program Administrator shall ensure that H2O provider applicants have the capabilities to provide physical access, reasonable accommodations, and accessible equipment for members with physical and mental disabilities [42 CFR 457.1230(a), 42 CFR 438.206(c)(2)(3)]. The H2O Program Administrator shall also ensure that providers deliver services in a culturally competent manner, including to those with limited English proficiency and diverse cultural and ethnic backgrounds, disabilities, and regardless of gender, sexual orientation, or gender identity [42 CFR 457.1230(a), 42 CFR 438.206(c)(2)].

C. RENEWAL APPLICATION AND ONSITE MONITORING REVIEW

The H2O Program Administrator shall ensure H2O Providers adhere to the renewal application and onsite monitoring review.

1. The H2O Program Administrator shall:
 - a. Send a notice, copying AHCCCS Division of Behavioral Health and Housing (DBHH) and all other applicable divisions of the onsite monitoring review at a minimum of 30 calendar days prior to the scheduled visit. The scheduled visit shall occur no less than 60 days from the expiration date of the H2O AHCCCS Provider Enrollment status. The notice shall include documentation requirements as specified in the H2O provider enrollment application and information on how to prepare for the monitoring visit, including instructions for the day of the scheduled visit,

- b. Conduct onsite monitoring reviews and render an approval notice or denial decision in writing that includes:
 - i. Enhanced Shelter onsite monitoring shall occur annually, and
 - ii. H2O Provider onsite monitoring shall occur every four years.
 - c. Review all documentation in accordance with the standards as specified in AHCCCS policies including, but not limited to, any updates to the fire inspection documentation and administrative procedures,
 - d. Review personnel files and ensure compliance set forth by AHCCCS for direct service staff members, and
 - e. Send all notices, letters, correspondence to both email and physical mailing addresses.
- 2. The H2O Providers shall cooperate with the renewal application and onsite monitoring review and shall make available to the H2O Program Administrator:
 - a. Records that include all updated requirements,
 - b. All requested member records, and
 - c. Participate in the audit entrance and exit conferences with the H2O Program Administrator employees.
- 3. If the H2O Program Administrator issues a decision to not renew, the decision may include an invitation for the provider to develop and implement a CAP which specifies information that is missing or inaccurate and shall be submitted within a specified timeframe for the H2O Program Administrator to render a final decision. The decision by the H2O Program Administrator to allow for the development and implementation of a CAP shall include considerations such as allowing the provider to continue services is in the best interests of the members when the health, safety, and/or welfare of members will not be jeopardized:
 - a. The H2O Program Administrator's decision to require a CAP is subject to the appeal rights contained in this Policy,
 - b. The H2O Program Administrator shall send the provider Approval Notice or denial decision to the provider within 30 calendar days of the H2O Program Administrator's onsite audit or a satisfied completion of a CAP, and
 - c. The H2O Program Administrator shall send the provider Approval Notice or denial decision to the AHCCCS DBHH, Statewide Housing Administrator, AHCCCS Provider Enrollment, and all other applicable Contractors.

D. DENIALS, SUSPENSION, OR REVOCATION OF H2O AHCCCS REGISTRATION

The H2O Program Administrator is responsible for onsite monitoring reviews as specified in this Policy and sending the outcome of those reviews to AHCCCS Provider Enrollment. The H2O Program Administrator is also responsible for providing support to the H2O Provider to ensure timely completion of the AHCCCS registration and re-registration. AHCCCS Provider Enrollment is responsible for rendering the final decision about the H2O Provider's initial or continued status as an AHCCCS Registered Provider. H2O Providers that fail to receive an approved registration notice from the H2O Program Administrator because of non-compliance are subject to termination of the H2O Provider's AHCCCS Provider Enrollment status and number.

If AHCCCS denies, suspends, or revokes an H2O Provider's Provider Enrollment, the H2O Provider shall cease to provide services to AHCCCS members until such point in time the Provider Enrollment status is restored.

AHCCCS may deny, suspend, or revoke an H2O Provider's status as an AHCCCS Registered Provider for any one or combination of, but not limited to, the following:

1. The H2O Provider submits falsified documents or provides other information that appears fraudulent (refer to ACOM Policy 103).
2. The H2O Provider is suspected of abuse of Title XIX funds (refer to ACOM Policy 103).
3. The H2O Provider changes to another AHCCCS provider type.
4. There is a threat to the health, safety, and/or welfare of members.
5. The H2O Provider's AHCCCS Provider Enrollment is otherwise terminated.

If the reason for denial, suspension, or revocation of the H2O Provider's status as an AHCCCS Registered Provider involves a threat to the health, welfare, and/or safety of members, the H2O Provider shall not render services to any members.

E. RIGHT TO APPEAL AN H2O PROVIDER DECISION

An H2O Provider or applicant may appeal a denial, revocation, or suspension of registration pursuant to ARS 36-2903(B)(4) and the relevant provisions of the Arizona Uniform Administrative Hearing Procedures as specified in ARS Title 41, Chapter 6, Article 10.

F. VOLUNTARY WITHDRAWAL OF A H2O PROVIDER REGISTRATION

1. If an H2O Provider no longer intends to deliver services as an H2O Provider to any Contractor, the H2O Provider shall notify the H2O Program Administrator, the AHCCCS DBHH Compliance Program Specialist, and AHCCCS Provider Enrollment in writing at least 30 calendar days in advance of the last date the service will be offered.
2. The H2O Program Administrator and H2O Provider shall coordinate the transition of all members receiving H2O services from the provider. The H2O Program Administrator shall adhere to reporting and notification requirements established in the Contract to ensure that network changes are communicated, and transition plans are implemented for the continuation of services, to members.

For H2O Providers providing services to AIHP, Tribal ALTCS members, and/or TRBHA members, the H2O Program Administrator shall notify the Division of Fee for Service Management's (DFSM) H2O Manager of the intent to transition FFS members to a different H2O provider.