

July 21, 2025

The Honorable Katie Hobbs  
Governor of Arizona  
1700 W. Washington  
Phoenix, AZ 85007

Dear Governor Hobbs:

The Arizona Health Care Cost Containment System (AHCCCS) is submitting the 2025 AHCCCS Report on Behavioral Health Services for Adopted Children and Children in Legal Custody of the Arizona Department of Child Safety as required by A.R.S. § Title 8, Chapter 4 Article 4:

*The Arizona health care cost containment system administration shall track and report annually the number of times the regional behavioral health authority coordinated crisis services because a crisis services provider was unresponsive, the number of times services were not provided within the twenty-one-day time frame, the amount of services accessed directly by an out-of-home placement or adoptive parents that were provided by noncontracted providers, the list of providers that were formerly contracted with the regional behavioral health authority but that terminated the contract and provided services pursuant to this section for one hundred thirty percent of the Arizona health care cost containment system's negotiated rate and the amount the administration spent on services pursuant to this section.*

On March 24, 2016, Jacob's Law (A.R.S. § 8-512.01) was enacted. The statute mandates several requirements for purposes of ensuring easier access to behavioral health services for children in the legal custody of the Department of Child Safety (DCS) and adopted children who are Medicaid eligible under Title XIX or Title XXI.

Prior to April 1, 2021, children in the legal custody of DCS were enrolled with the statewide Comprehensive Medical and Dental Program (CMDP) for the provision of physical health care services and behavioral health services were provided through the Regional Behavioral Health Authority (RBHA) in their geographical area. Starting on April 1, 2021, children in foster care began receiving physical and behavioral health services through a statewide, integrated delivery model. The integrated health plan is Mercy Care Department of Child Safety Comprehensive Health Plan (Mercy Care DCS CHP), hereafter DCS CHP in this report. The data related to services and appointment standards populated from DCS CHP for this report is for the timeframe of April 1, 2024 - March 31, 2025.

The number of children and adolescents in the custody of DCS can vacillate from day-to-day, thus enrollment data for DCS CHP demonstrated in Table 1 below is a point-in-time member count on September 30, 2024, to coincide with the end of the contract year.

**Table 1**

DCS CHP Enrollment by County as of September 30, 2024	
Apache	4
Cochise	199
Coconino	118
Gila	105
Graham/Greenlee	41
La Paz	3
Maricopa	4,956
Mohave	285
Navajo	110
Pima	1,644
Pinal	257
Santa Cruz	43
Yavapai	197
Yuma	132
Total DCS CHP enrollment	8,094

### **Crisis Services**

The AHCCCS Complete Care Contractors with Regional Behavioral Health Agreements (ACC-RBHAs) are responsible for the provision of crisis services throughout their geographical service areas (GSAs). Arizona Complete Health is responsible for services in the Northern and Southern GSAs and Mercy Care is responsible for services in the Central GSA. Crisis services include a 24 hour/seven days per week toll-free crisis telephone number, mobile crisis teams, and crisis stabilization services. Jacob's Law outlines the additional requirement that DCS CHP, Department of Economic Security/Division of Developmental Disabilities (DES/DDD) or AHCCCS Complete Care (ACC) plans should coordinate crisis services for a child

if an out-of-home placement caregiver or an adoptive parent identifies a child has an urgent behavioral health need and the crisis provider is not responding as requested.

AHCCCS Contractors Operations Manual (ACOM) Policy 449 outlines requirements for DCS CHP and DES/DDD to identify a Children Services Liaison. The primary role of the Children Services Liaison is to:

- Serve as the single point of contact,
- Respond to inquiries from out-of-home placements and adoptive parents,
- Respond to issues and concerns related to the delivery of and access to behavioral health services,
- Collaborate with out-of-home placement and adoptive parents,
- Address barriers to services, including nonresponsive crisis providers, and
- Resolve concerns received in accordance with grievance system requirements.

DCS CHP and DES/DDD report calls received by the Children Services Liaison to AHCCCS on a quarterly basis. Reporting includes the number of calls received per month. From April 2024 through March 2025, no calls were received by DCS CHP or DES/DDD for assistance with coordinating crisis services because a crisis services provider was unresponsive.

### **Behavioral Health Appointment Standards**

AHCCCS contractors are required to maintain compliance with appointment availability standards outlined in ACOM Policy 417 - Appointment Availability, Transportation Timelines, Monitoring, and Reporting. This policy establishes a standard process for AHCCCS to monitor and report appointment availability to ensure compliance with AHCCCS network sufficiency standards. A lack of available appointments at a provider's office within the required timelines may require a plan to look to expand its contracted network of providers to ensure network sufficiency. DCS CHP must track and report quarterly the Behavioral Health Utilization and Timeframes for the DCS Involved Youth deliverable. AHCCCS publishes this data in the [Foster Care Dashboard](#) quarterly.

ACOM Policy 417 includes behavioral health appointment standards for the contractors. Behavioral health appointment standards for children in legal custody of DCS and adopted children are as follows:

- Rapid Response - When a child enters out-of-home placement within the timeframe indicated by the behavioral health condition, but no later than 72 hours after notification by the Arizona Department of Child Safety (DCS) that a child has been or will be removed from their home,
- Screening and Evaluation - Within seven calendar days after the initial referral or any subsequent initial request for behavioral health services,
- Initial appointment - Within timeframes indicated by clinical need, but no later than 21 calendar days after any screening and evaluation, and
- Subsequent Behavioral Health Services - Within the timeframes according to the needs of the person, but no later than 21 calendar days from any screening and assessment.

The appointment standards for members in the legal custody of the DCS and adopted children are intended to monitor appointment accessibility and availability. For additional information on behavioral

health services for persons in the legal custody of DCS and adopted children in accordance with A.R.S. § 8-512.01, refer to ACOM Policy 449 – Behavioral Health Services for Children in Department of Child Safety (DCS) Custody and Adopted Children.

The AHCCCS Clinical Resolutions Unit monitors the number of grievances the unit receives for services that were not provided within 21 calendar days from initial assessment and for the provision of subsequent behavioral health services. From April 2024 through March 2025, it was identified that medically necessary services were not provided within 21 calendar days for four members in foster care and for 15 adopted members. Also, DCS CHP reported sixteen additional members in foster care that did not receive services within 21 days for a total of 23 members. The AHCCCS Clinical Resolutions Unit encounters a variety of factors that may contribute to members not receiving service within 21 calendar days, including communication challenges, failure to make the referral in a timely manner, member transition to a new home or community, hesitation of providers to start services without a single case agreement, family requesting services with a specific provider, a lack of specific provider or appointment availability, limited availability of in-person services, limited specialty service providers, and appointment conflicts with previously scheduled appointments. The AHCCCS Clinical Resolutions Unit, DCS CHP, DDD and the ACC health plans worked diligently to address the barriers identified by facilitating communication, providing training, identifying alternative providers, expanding their provider networks, and executing single case agreements when needed.

### **Services Accessed Out of Network**

The statute allows members to access providers outside DCS CHP's contracted network of providers. If an initial behavioral health service is not provided within 21 calendar days, the out-of-home placement or adoptive parent shall contact the plan of enrollment and AHCCCS customer service to document the failure. After contacting the plan of enrollment and AHCCCS, the member may receive services directly from any AHCCCS registered provider, irrespective of the provider's contracted status. Upon submission of the claim to the plan of enrollment for payment, the provider must accept the lesser of 130 percent of the AHCCCS FFS rate or the provider's standard rate.

Since the enactment of Jacob's Law, AHCCCS is not aware of any providers formerly contracted with DCS CHP that decided to terminate their contract to provide services pursuant to this law at 130 percent of the AHCCCS FFS rate. Additionally, AHCCCS has not expended any funding on services to out-of-network providers pursuant to the law, which, as stated directly above, allows out-of-network providers to be reimbursed the lesser of 130 percent of the AHCCCS FFS rate or the provider's standard rate. From April 2024 through March 2025, no members were identified as accessing services by a non-contracted provider pursuant to the law.

### **Summary**

This report demonstrates that children in foster care and their families continue to be able to access behavioral health services, including crisis services. This is attributed in large part to the integrated model under DCS CHP, ongoing member and provider education on behavioral health access, and the availability of services. DCS CHP continues to proactively ensure children have access to timely services through the 21 Day Escalation and Reporting Process, real-time (24/7) support to providers, and the Child Family Team (CFT)

process with accessing care. DCS CHP also continues to create more informational opportunities with events for providers, community advocates, and families to learn and better understand the requirements of Jacob's Law regarding timely service delivery in coordination with their Foster Care Liaisons and Children's System of Care meetings. DCS CHP hosts three regional and one statewide Foster, Adopt, and Kinship Councils that include representation from caregivers, families, and providers. These councils are an opportunity to directly gather feedback from council members as well as share information about system updates, access to care, and training opportunities. During the reporting period, AHCCCS also provided 13 training courses that are available to the public on Jacob's Law, reaching 545 participants across the state.

AHCCCS will continue to monitor these outcomes to ensure availability and access to services for children in foster care and adopted children statewide.

Please do not hesitate to contact Alisa Randall, Assistant Deputy Director, at (602) 417-4794 if you have any questions or need additional information.

Sincerely,

A handwritten signature in black ink, appearing to read "K. Challacombe".

Kristen Challacombe, Deputy Director

cc: The Honorable Warren Petersen, President, Arizona Senate  
The Honorable Steve Montenegro, Speaker, Arizona House of Representatives  
Richard Stavneak, Director, Joint Legislative Budget Committee  
Ben Henderson, Director, Office of Strategic Planning and Budgeting  
Meaghan Kramer, Health Policy Advisor, Office of the Governor