NOTICE OF PROPOSED RULEMAKING

TITLE 9. HEALTH SERVICES

CHAPTER 22. ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM - ADMINISTRATION

PREAMBLE

1. Permission to proceed with this proposed rulemaking was granted under A.R.S. § 41-1039 by the governor on:

December 11, 2024

2. Article, Part, or Section Affected (as applicable) Rulemaking Action

R9-22-502 Amend R9-22-505 Amend

3. Citations to the agency's statutory rulemaking authority to include the authorizing statute (general) and the implementing statute (specific):

Authorizing statute: A.R.S. § 36-2903.01(F) Implementing statute: A.R.S. § 36-2903

4. Citations to all related notices published in the Register that pertain to the current record of the proposed rule:

Notice of Rulemaking Docket Opening: (volume #) A.A.R. (page #), Issue Date: (date published), Issue Number: (number), File number: (R2#-###)

5. The agency's contact person who can answer questions about the rulemaking:

Name: Sladjana Kuzmanovic

Title: Sr. Rules Analyst

Division: AHCCCS Office of the General Counsel

Address: 801 E. Jefferson Street, MD 6200, Phoenix, AZ 85034

Telephone: (602) 417-4232 Fax: (602) 253-9115

Email: AHCCCSRules@azahcccs.gov

Website: www.azahcccs.gov

6. An agency's justification and reason why a rule should be made, amended, repealed or renumbered, to include an explanation about the rulemaking:

R9-22, Article 5 rules establish key requirements for Medicaid contractors and providers in Arizona, ensuring transparency, accountability, and quality care. It mandates coverage for pre-existing conditions without exclusions, sets standards for provider licensing, and requires contractors to coordinate care during enrollment changes. The rules also regulate marketing practices, safeguard patient information, and outline record-keeping obligations. Additionally, they establish guidelines for compliance audits and quality management to maintain high standards in healthcare services. Updates to these rules originate from a Five-Year Review Report, which was approved by the Governor's Regulatory Review Council on March 7, 2023.

Complete proposed revisions include:

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R9-22-501(B) – Replacing "psychiatric condition" with "behavioral health condition" to ensure consistency across regulations and AHCCCS publications. Additionally, the term "behavioral health condition" provides a broader and more inclusive classification of conditions.

R9-22-505 – Updating rule to state that the referenced hospitals may be accredited by "a national accreditation organization," aligning with Medicare standards, which allow accreditation by any national accreditation organization rather than being limited to the Joint Commission on Accreditation of Healthcare Organizations (JCAHO). Additionally, removing specific dates from the regulations incorporated by reference to maintain accuracy and relevance.

These proposed changes are meant for clarifying purposes and do not impose any additional burdens or costs to regulated persons. Substantive and procedural rights of members are not affected, nor are any of the programs of the Administration.

7. A reference to any study relevant to the rule that the agency reviewed and proposes either to rely on or not to rely on in its evaluation of or justification for the rule, where the public may obtain or review each study, all data underlying each study, and any analysis of each study and other supporting material:

The Administration did not review or rely on any study for this rulemaking.

8. A showing of good cause why the rulemaking is necessary to promote a statewide interest if the rulemaking will diminish a previous grant of authority of a political subdivision of this state:

Not applicable.

9. The preliminary summary of the economic, small business, and consumer impact:

The proposed revisions to the rule language are anticipated to have little to no impact on small businesses, consumers, members, or providers, as they remain budget neutral. These changes serve solely to clarify existing provisions and do not introduce any additional financial implications for the economy, small businesses, or consumers beyond the current operational costs of the Administration.

10. The agency's contact person who can answer questions about the economic, small business and consumer impact statement:

Name: Sladjana Kuzmanovic

Title: Sr. Rules Analyst

Division: AHCCCS Office of the General Counsel

Address: 801 E. Jefferson Street, MD 6200, Phoenix, AZ 85034

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11. The time, place, and nature of the proceedings to make, amend, repeal, or renumber the rule, or if no proceeding is scheduled, where, when, and how persons may request an oral proceeding on the proposed rule:

Written comments about this proposed rulemaking will be accepted in person at the address provided under Item #5, Monday through Friday from 8 a.m. to 5 p.m. except for state holidays. Comments will also be accepted via email at the email address provided under Item #5. Mailed written comments shall be postmarked within 30 days of this published notice.

An oral proceeding is scheduled on this proposed rulemaking.

Date: May 5, 2025 Time: 2:00 p.m.

Location: (meet.google.com/wxf-otub-eev)

Nature: Public Hearing

Public comment period ends: May 5, 2025 at 5:00 p.m.

Close of record: May 5, 2025 at 5:00 p.m.

12. All agencies shall list other matters prescribed by statute applicable to the specific agency or to any specific rule or class of rules. Additionally, an agency subject to Council review under A.R.S. §§ 41-1052 and 41-1055 shall respond to the following questions:

There are not other matters prescribed by statute applicable specifically to the Administration or this specific rulemaking.

a. Whether the rule requires a permit, whether a general permit is used and if not, the reasons why a general permit is not used:

The rule does not require the issuance of a regulatory permit. Therefore, a general permit is not applicable.

<u>Whether a federal law is applicable to the subject of the rule, whether the rule is more stringent than federal law and if so, citation to the statutory authority to exceed the requirements of federal law:</u>

The rules are not more stringent than the federal law.

c. Whether a person submitted an analysis to the agency that compares the rule's impact of the competitiveness of business in this state to the impact on business in other states:

Not applicable.

13. A list of any incorporated by reference material as specified in A.R.S. § 41-1028 and its location in the rules:

Not applicable.

14. The full text of the rules follows:

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TITLE 9. HEALTH SERVICES

CHAPTER 22. ARIZONA COST CONTAINMENT SYSTEM - ADMINISTRATION ARTICLE 5. GENERAL PROVISIONS AND STANDARDS

Section

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R9-22-502. Pre-existing Conditions

R9-22-505. Standards, Licensure, and Certification for Providers of Hospital and Medical Services

ARTICLE 5. GENERAL PROVISIONS AND STANDARDS

R9-22-501. Pre-existing Conditions

- A. A contractor shall not impose a pre-existing condition exclusion with respect to covered services.
- **B.** A contractor or subcontractor shall not adopt or use any procedure to identify a person who has an existing or anticipated medical or psychiatric behavioral health condition in order to discourage or exclude the person from enrolling in the contractor's health plan or encourage the person to enroll in another health plan.

R9-22-505. Standards, Licensure, and Certification for Providers of Hospital and Medical Services

A provider shall not provide hospital or medical services to a member unless the provider is licensed by the Arizona Department of Health Services and meets the requirements in 42 CFR 441 and 482, as of October 1, 2007, and 42 CFR 456 Subpart C, as of October 1, 2007, incorporated by reference, on file with the Administration and available from the U.S. Government Printing Office, 732 N. Capitol St., N.W., Washington, D.C. 20401. This incorporation contains no future editions or amendments. An Indian Health Service (IHS) hospital and a Veterans Administration hospital shall not provide services to a member unless accredited by the Joint Commission on Accreditation of Healthcare Organizations (JCAHO). a national accreditation organization.

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