Tribal Member Exploitation and Provider Fraud Response Plan

A Report Prepared for Arizona's Tribal Leadership

December 2023

Response Plan to
Member Exploitation and Provider Fraud

Introduction

The Arizona Health Care Cost Containment System (AHCCCS) and the Arizona Department of Health Services (ADHS) have been monitoring and combatting ongoing fraud, waste, and abuse schemes in behavioral health billing, which have threatened the integrity of Arizona's health system, the reputation of the Medicaid program, and the safety of enrolled members. AHCCCS identified increasingly complex fraudulent activity in 2022. Since that time, together with state and federal partners, AHCCCS began comprehensive systems evaluations in all areas to determine a multi-pronged approach to combat what may be determined to be rampant criminal activity. Since announcing the first round of provider suspensions on May 16, 2023, AHCCCS has identified provider enrollment and billing trends indicative of fraud, and has taken swift action to protect members, strengthen system weaknesses and close loopholes, and remove bad acting providers from the program. ADHS has identified gaps and weaknesses in current statute that need to be addressed to improve enforcement of licensed facilities and deter bad actors. While there is still work to do, the administrative actions taken to date have proven to be effective. As efforts to thwart exploitative behavior continue, AHCCCS and ADHS are committed to continuous systems improvement, and will continue the ongoing work to better protect AHCCCS members and the public by connecting them to resources and services, and assisting law enforcement agencies who can bring civil or criminal charges against bad actors.

Background

On May 16, 2023, Governor Katie Hobbs, Attorney General Kris Mayes, and AHCCCS Executive Deputy Director Carmen Heredia announced payment suspensions against 102 AHCCCS providers for credible allegations of fraudulent behavior. This was a milestone action against what would come to be seen as a widespread fraud scheme orchestrated by organized and resourceful criminal syndicates. Much has been learned about the activities of this criminal syndicate and more continues to be discovered.

At its core, the scheme consisted of recruiting vulnerable Tribal AHCCCS members (usually members experiencing homelessness or substance use disorders) into unlicensed, unregistered facilities. In many instances, the bad actors actively recruited members on Tribal lands, outside of hospitals or health clinics, on the streets, and/or outside of homeless shelters to find new participants for their "programs."

It is believed that the incentive for members was a promise of free housing, treatment, food, money, and in some of the worst cases, drugs and alcohol. For the bad actors, the incentive was that for every AHCCCS member they recruited into their program, they received an AHCCCS member ID number they could use to fraudulently bill for services.

Layers of the scheme's complexity have been uncovered. It appears that providers were taking AHCCCS ID numbers from individuals they were housing in these unlicensed facilities to bill fraudulently for services that were never and could never have been rendered. When a member left their "program," they continued billing for the absent individual (called ghost billing), sometimes for more than 24 hours of services in a given day for a specific member, with overlapping codes, and/or they double-billed for services that cannot clinically be billed together.

Another important factor in the scheme is that it intentionally targeted the American Indian Health Program (AIHP), the Fee-for-Service (FFS) coverage option for American Indian/Alaska Native (AI/AN) members. Because this scheme focused on exploiting AIHP, it disproportionately impacted vulnerable

AI/AN AHCCCS members. It has been learned that non-AI/AN members were being coached into providing false information about their Tribal affiliation and enrolling in AIHP. This allowed a larger pool of potential victims for these bad actors to exploit, and added additional complexity to potential solutions.

Bad actors have been shuffling members between companies, establishing shell companies to hide their fraudulent activity, and paying recruiters on a "per person" basis to bring vulnerable individuals and families into these facilities. In the worst instances, this resulted in individuals and families having been lured into these programs under false pretenses or outright coercion, sometimes from outside of Arizona.

While the scope of this scheme is multifaceted, fraudulent billing is what funded the scheme, and what allowed for it to continue. Accordingly, the overall solution is multifaceted, but cutting off the funding is the most immediate way to stem the fraud and member exploitation, and is the aspect of the scheme over which AHCCCS has authority.

Thus far, AHCCCS has suspended more than 300 providers since May's initial announcement for their suspected involvement in fraudulent billing practices, which has had the net result of restricting the flow of funds. Additionally, AHCCCS has taken dozens of related actions to address both the administrative and humanitarian components of this scheme.

Improving Tribal Consultation

The need for a more comprehensive and meaningful Tribal Consultation was identified early on in the State's investigation. Both AHCCCS and ADHS have a long-standing practice of conducting regular consultations with Tribal leaders. AHCCCS holds them quarterly and ADHS typically holds them semi-annually. However, it was clear that these meetings did not adequately address the Tribes' needs. They provided limited opportunities for two-way dialogue, lacked follow-up on Tribal concerns, and generally fell short of expectations.

Recognizing the importance of Tribal Consultation and partnership, AHCCCS and ADHS took steps to revamp and improve the Tribal Consultation process. Several notable steps were taken to address these shortcomings:

- **Specialized Tribal Consultations:** AHCCCS and ADHS organized special Tribal Consultations dedicated to addressing the issues arising from the fraud scheme. These consultations occurred on April 4, June 1-2, and July 18, 2023.
- **Leadership Engagement**: AHCCCS and ADHS, in recognition of the importance of government-to-government relations, ensured that each Tribal Consultation included agency Directors, representatives from agency leadership, and key staff from the directors' offices.
- **Broader Engagement**: The topic of the fraud, waste and abuse scheme was prominently featured at the HHS/IHS Tribal Consultation on June 28. Additionally, it became a regular agenda item in AHCCCS' Quarterly Tribal Consultations on June 22 and August 29, with plans to maintain this focus in all future meetings.
- **Incorporating Tribal Feedback**: Throughout these meetings, Tribal partners actively contributed their insights and perspectives, influencing AHCCCS' and ADHS' actions and strategies, as detailed in this report.

- **Improvement Initiatives for AHCCCS**: AHCCCS sought feedback from Tribal representatives to identify areas where the Tribal engagement strategy and consultation process could be enhanced. Subsequent improvements were made based on this valuable input, including:
    - *Extending Consultation Duration*: Meetings were transitioned from four-hour sessions to full-day engagements to allow for more thorough discussions.
    - *Hybrid Meeting Format*: AHCCCS shifted from entirely virtual meetings to a hybrid approach that accommodates in-person attendance, fostering stronger connections.
    - *On-Tribal Land Meetings*: Efforts were made to conduct consultations directly on Tribal lands and within Tribal facilities, reinforcing AHCCCS' commitment to engaging on Tribal terms.
    - *Leadership Engagement*: Dedicated agenda time was allocated for Tribal leadership to share their perspectives openly.
    - *Streamlined Presentations*: AHCCCS reduced the number of slides in presentations to promote more meaningful and interactive dialogue.
- **Improvement Initiatives for ADHS:** ADHS received feedback from Tribal health representatives (including leaders, health directors, and Urban Indian Health Organizations) on how to improve meaningful Tribal consultation and engagement. From the feedback received, the following improvements will be made:
    - *Leader to Leader Engagement*: Tribal Consultations will be a formal, two-way, government-to-government dialogue between official representatives of the Tribes and ADHS agency (e.g., Director and Deputy Director) to discuss proposals and/or policy impacts before the agency makes final decisions.
    - *Hybrid Meeting Format*: Due to the pandemic, virtual meetings were held until 2022, and have since shifted to hybrid meetings to accommodate in-person meetings, allowing for face-to-face discussion to better understand perspectives.
    - *Tribal Connections***:** ADHS is aware that each Tribal nation has its own language, culture, and government system; therefore, conducting in-person meetings with Tribal leaders will allow ADHS to better understand Tribal needs and assets within their respective communities.

AHCCCS and ADHS are committed to ongoing enhancements in the Tribal Consultation process. In the coming year, AHCCCS and ADHS leadership plan to meet individually with each of the 22 Tribal nations within the state, seeking a deeper understanding of their unique needs. The agencies are dedicated to refining and improving Tribal Consultation meetings and the overall approach to Tribal engagement. The agencies remain resolute in strengthening their partnership with Arizona's Tribal communities, ensuring Tribal voices are heard, and collectively working towards better solutions.

While AHCCCS and ADHS work to improve the Tribal Consultation process, this commitment to collaboration and improvement is not limited to consultations alone; it extends to a comprehensive plan of actions designed to address the multifaceted challenges posed by the member exploitation and fraud, waste, and abuse situation. The following section outlines a timeline and a detailed table that comprehensively documents the actions the State has undertaken thus far, as well as those planned for the future.

Response Plan to
Member Exploitation and Provider Fraud

Response Plan to Address Fraud, Waste, Abuse (FWA) and Member Exploitation

The solution to this issue is multifold. While AHCCCS and ADHS are not the only entities needed to solve this problem, the agencies play a significant role in the solution. There is a humanitarian component to the solution that needs to address the immediate member impact of this scheme, and there is an administrative component to ensure system weaknesses are resolved so the scheme cannot continue. Below is a table of the agencies' approach to-date, and what is planned for the near future:

Table 1: Agency Actions to Address and Prevent Member Exploitation and Fraud, Waste & Abuse

Item	Agency	Strategy	Description	Effective Date	Long-Term/ Temporary	Status
1	AHCCCS	BILLING CHANGE	Set billing thresholds on: ● Units per day ● Several CPT codes that are being billed for an excessive number of hours per day ● Multiple providers billing the same client on the same day for same or similar services ● Age of patients receiving services	April 28, 2023	Long-Term	Implemented
2	ADHS	LICENSING	Prioritized timely inspections, and conducting 60-day touchpoint inspections for new licensees (some licensees are exempt by statute). From January 1, 2023 through October 31, 2023, ADHS conducted 4,675 inspections for: ● Behavioral Health Residential Facilities (BHRF) = 1,025 ● Counseling Facilities (CSLG) = 656 ● Outpatient Treatment Centers (OTC) = 1,849 ● Sober Living Homes (SLH) = 1,145	May 2023	Long-Term	Implemented / Ongoing
3	ADHS	LICENSING	Enforcement actions taken against licensees with significant deficiencies, and licensees who are not operating. ● BHRF: In 2023, 271 civil money penalties issued and 72 licensees are currently the subject of revocation actions ● CSLG: In 2023, 47 civil money penalties were issued ● OTC: In 2023, 93 civil money penalties were issued ● SLH: 4 licensees are currently the subject of revocation actions, and cease and desist	May 2023	Long-Term	Implemented / Ongoing

			orders have been issued, or are in the process, for 7 homes. Over 400 homes have been the subject of unlicensed investigations this year; many of these investigations are still in progress.			
4	AHCCCS	AUDIT	Began ongoing external forensic audit to review all claims for payment since 2019.	May 2023	Long-Term	Implemented
5	AHCCCS	AUDIT	Reviewing all existing claims edits which differ from national standards.	May 2023	Long-Term	Implemented
6	AHCCCS	MEMBER PROTECTIONS	Created a data request process for law enforcement agencies to assist with missing persons cases.	May 2023	Long-Term	Implemented
7	AHCCCS	RATE CHANGE	Set a specific rate for multiple billing codes including H0015 for drug and alcohol treatment services. This changed from the previous rate that paid a percentage of the billed amount.	May 1, 2023	Long-Term	Implemented
8	AHCCCS	BILLING CHANGE	Set a threshold for reimbursement request volume, triggering increased scrutiny.	May 3, 2023	Long-Term	Implemented
9	AHCCCS	BILLING CHANGE	Set a reporting flag to stop and deny claims reimbursement for impossibly rendered services as billed, including: ● Claims for services by different providers that should not be provided on the same day, and ● Overlapping services of the same style.	May 3, 2023	Long-Term	Implemented
10	AHCCCS	BILLING CHANGE	Set a reporting flag to stop and deny claims reimbursement when providers bill inappropriate services for minor-aged children, such as claims for substance use treatment for minors age 12 and under.	May 3, 2023	Long-Term	Implemented
11	AHCCCS	POLICY CHANGE	Monitor how many entities employ behavioral health professionals (BHPs) and behavioral health technicians (BHTs), and monitor how many BHTs any given BHP is responsible for overseeing.	May 3, 2023	Long-Term	In Process
12	AHCCCS	MEMBER PROTECTIONS	Streamlining Professional Board reporting of bad actors	May 3, 2023	Long-Term	Implemented /Ongoing
13	AHCCCS	PROVIDER ENROLLMENT CHANGE	Ended approval of retroactive provider registrations without good cause documentation.	May 3, 2023	Long-Term	Implemented
14	AHCCCS	BILLING	All per diem codes have been limited in the system	May 3,	Long-Term	Implemented

		CHANGE	and providers must bill each day separately rather than in date ranges, so per diem codes cannot be billed more than once per day on any given date of service.	2023		
15	AHCCCS	BILLING CHANGE	Set billing thresholds and imposed prepayment review for various scenarios including multiple providers billing the same client on the same day for similar services, excessive number of hours per day, and the age of patients.	May 3, 2023	Long-Term	Implemented
16	AHCCCS	MASS PROVIDER SUSPENSION	Suspended payments to more than 300 behavioral health providers based on a Credible Allegation of Fraud (CAF). For the latest and most up-to-date list, please see the Provider Suspension and Terminations webpage.	May 15, 2023/ Ongoing	Long-Term	Implemented /Ongoing
17	AHCCCS	MEMBER PROTECTIONS	Launched the 2-1-1 (press 7) hotline for AHCCCS members impacted by provider closures.	May 18, 2023	Temporary	Implemented
18	AHCCCS	POLICY CHANGE	Revised AMPM Chapter 610 policy to address provider conflicts of interest.	May 18, 2023	Long-Term	Implemented
19	AHCCCS	PROVIDER ENROLLMENT CHANGE	Elevated three behavioral health provider types to the high-risk category for all new registrants, requiring 1) fingerprints, 2) on-site visits, 3) background checks and 4) additional disclosures.	May 18, 2023	Long-Term	Implemented
20	AHCCCS	AUDIT	Working with the AZ Corporation Commission to flag excessive amounts of companies opened by one individual.	May 30, 2023	Long-Term	Implemented
21	AHCCCS	MEMBER ASSIGNMENT CHANGE	Eliminated the ability for a member to switch enrollment from a managed care health plan to the American Indian Health Program over the phone.	June 28, 2023	Temporary	Implemented
22	AHCCCS	BILLING CHANGE	Eliminated the ability for providers to bill on behalf of others.	July 1, 2023	Long-Term	Implemented
23	AHCCCS	MEMBER PROTECTIONS	Revised the AHCCCS Provider Participation Agreement (PPA) to explicitly require that if a provider stops providing services to AHCCCS members during an ongoing investigation, they must help transition member care to a new provider.	July 1, 2023	Long-Term	Implemented

24	AHCCCS	EMERGENCY RULES UPDATE	Implemented emergency rules to enhance and expand AHCCCS authority to exclude providers affiliated with bad actors.	July 3, 2023	Long-Term	Implemented
25	AHCCCS	PROVIDER ENROLLMENT CHANGE	Implemented federal authority to impose a moratorium on new provider registrations for 1) Behavioral Health Outpatient Clinics, 2) Integrated Clinics, 3) Non-Emergency Transportation providers, 4) Behavioral Health Residential Facilities, and 5) Community Service Agencies. This moratorium was approved by CMS to be extended through June 8, 2024.	July 6, 2023	Temporary	Implemented
26	AHCCCS	BILLING CHANGE	Created additional documentation requirements and prepayment review of specified behavioral health codes exceeding limits. 1. Required Fee-For-Service providers billing more than 2 units of hourly codes or 4 units of 15-minutes codes on a single date of service, to provide additional documentation. Read more Fee-For-Service claim changes in the Claims Clues newsletters.	July 14, 2023	Long-Term	Implemented
27	AHCCCS	MEMBER PROTECTIONS /PROVIDER OVERSIGHT	Implement enhanced quality management/quality assurance strategies within DFSM, including provider onsite audits/provider visits, and member chart reviews.	July, 2023	Long-Term	Ongoing
28	AHCCCS	LEGISLATIVE	Request an increase in staff to monitor provider compliance on an ongoing basis and investigate potential bad actors.	August 2023	Long-Term	Not Implemented

Planned Activities						
Item	Agency	Strategy	Description	Effective Date	Long-Term/ Temporary	Status
29	AHCCCS	MEMBER PROTECTIONS	Issue additional CAF suspensions as credible allegations of fraud are determined	Ongoing	Long-Term	Ongoing

30	AHCCCS	AUDIT	Additional trend reports and data pulls	Ongoing	Long-Term	Ongoing
31	AHCCCS	MEMBER ASSIGNMENT CHANGE	Determine methodology for AIHP enrollment criteria. Update HEAplus to support the new criteria	TBD	Long-Term	Not Implemented
32	AHCCCS	MEMBER PROTECTIONS	Establishing a provider registry	July 1, 2025	Long-Term	Not Implemented
33	AHCCCS	DELIVERY SYSTEM CHANGE	Explore the feasibility of Tribal MCOs	TBD	Long-Term	Not Implemented
34	ADHS	LICENSING	Consolidate the regulation of behavioral health facilities, including behavioral health residential facilities, sober living homes, and counseling facilities under the new Bureau of Behavioral Health Facilities Licensing.	June, 2024	Long-Term	In Process
35	AHCCCS	MEMBER PROTECTIONS	Increase care coordination and case management for rural Fee for Service populations	TBD	Long-Term	Not Implemented
36	ADHS	LEGISLATIVE/ LICENSING	Eliminate ownership loopholes by preventing licensees from being able to “sell” the company to avoid penalties.	TBD	Long-Term	Proposed
37	ADHS	LEGISLATIVE/ LICENSING	Make inspections standard across facility types; this includes requiring inspections for certified sober living homes.	TBD	Long-Term	Proposed
38	ADHS	LEGISLATIVE/ LICENSING	Give ADHS authority to increase fines based on risk to safety, number of patients, and other factors. Currently, ADHS is limited in state law to maximum fines of $500 per day.	TBD	Long-Term	Proposed
39	ADHS	LEGISLATIVE/ LICENSING	Require payment of all fines and fees to maintain licensure.	TBD	Long-Term	Proposed
40	ADHS	LEGISLATIVE/ LICENSING	Establish a monitoring fee for non-compliant licensees.	TBD	Long-Term	Proposed
41	ADHS	LEGISLATIVE/ LICENSING	Establish penalties for unlicensed facilities that use the terms “sober living” or any other words or phrases that could lead the public to believe that the facility is a licensed sober living home. Facilities advertising drug or alcohol recovery must disclose their licensure status in all public-facing advertising	TBD	Long-Term	Proposed

			/ publicity materials. Licensed healthcare institutions or providers that refer, engage with, or affiliate with unlicensed sober living homes are subject to penalties up to and including license revocation.			
42	ADHS	LEGISLATIVE/ LICENSING	ADHS funding for electronic systems. Moving the programs to the ADHS electronic Licensing Management System would make processes more transparent and efficient by allowing for more information to be posted on www.AZCareCheck.com in a more timely manner. Would also allow ADHS to create a "star rating" system for these facilities so potential residents / patients can better understand their care options.	TBD	Long-Term	Proposed
43	AHCCCS	POLICY CHANGE	Increased culturally competent care and collaborate with Tribes on best practices	TBD	Long-Term	Not Implemented
44	AHCCCS	LEGISLATIVE	Support long term systemic changes to increase oversight and regulatory capacity, including increasing legal support and inspection staff at ADHS.	TBD	Long-Term	Not Implemented
45	AHCCCS	POLICY CHANGE	Re-publish the Covered Behavioral Health Services Guide	January, 2023	Long-Term	Not Implemented
46	AHCCCS	BILLING CHANGE	Require visual attestation of individual billers and require billers to submit current photo at time of billing and sign attestations.	TBD	Long-Term	Implemented
47	AHCCCS	BILLING CHANGE	Require third-party billers to disclose terms of compensation.	TBD	Long-Term	Not Implemented
48	AHCCCS	POLICY CHANGE	Require Behavioral Health Residential Facilities, Behavioral Health Outpatient Facilities and Integrated Clinics to report, and keep updated, their Behavioral Health Professional when registering with AHCCCS.	TBD	Long-Term	Not Implemented

Partnerships With Other Entities

In addition to its internal efforts, AHCCCS and ADHS recognize the critical importance of collaboration and partnership with various external entities to address member exploitation and fraud, waste, and abuse situations comprehensively. AHCCCS and ADHS collaborate to align efforts and share resources in addressing member exploitation and fraudulent billing schemes. This partnership includes joint presentations, information sharing, and coordinated actions to safeguard members and strengthen the

health care system's integrity. AHCCCS and ADHS actively engaged with several key stakeholders, forging strong partnerships to ensure a united and coordinated response, including:

- **Governor's Office and Other Government Entities**: The Governor's Office plays a pivotal role in addressing this issue, working in tandem with AHCCCS and ADHS to implement strategies and policy changes that enhance member protection and promote the integrity of the Medicaid program. AHCCCS and ADHS continue to work with other state agencies including the Arizona Department of Economic Security, and various city and town officials.
- **Tribal Partnerships**: AHCCCS and ADHS value their partnerships with Tribal Nations and initiatives such as Operation Rainbow Bridge, which focus on member well-being and protection. Collaborative efforts with Tribal leaders and entities have been instrumental in understanding the unique challenges faced by American Indian/Alaska Native members and developing tailored solutions. Both agencies have ensured they are available to discuss questions and concerns from Tribal leaders, TRBHAs, and providers. As needed, ADHS will continue to provide technical assistance to Tribes interested in learning more about licensure requirements. Additionally, ADHS staff is available to conduct courtesy inspections for facilities that are preparing to operate.
- **Arizona Attorney General's Office**: AHCCCS closely collaborates with the Arizona Attorney General's Office Medicaid Fraud Control Unit to investigate and prosecute fraudulent activities. The Attorney General's commitment to pursuing legal actions against bad actors aligns with AHCCCS' goals of holding those responsible accountable to the fullest extent of the law.
- **Law Enforcement Agencies**: AHCCCS coordinates with various law enforcement agencies at the local, Tribal, state, and federal levels (including the FBI and IRS), to share information and support investigations into fraudulent billing practices. These partnerships are crucial in bringing perpetrators to justice.
- **Solari Crisis and Human Services**: Solari is a trusted partner providing AHCCCS with essential crisis management and human services support. Their expertise includes crisis consulting, advanced technology solutions, customized operations, and transparent collaboration, contributing significantly to AHCCCS' crisis response efforts and member protection through the ongoing administration of the 211-press-7 resource.
- **Additional Tribal and Non-Tribal Entities**: AHCCCS actively engages with a wide array of other Tribal and non-Tribal entities, including health care providers, community organizations, advocacy groups, managed care organizations, and more. These collaborations ensure a comprehensive, all-hands-on-deck approach to addressing the situation. Additionally, both agencies prepared brochures to help their employees and community members identify and report problematic residences and providers.
- **Cross-Agency Collaboration re: Licensing:** ADHS informs AHCCCS of changes in status for health care institution licensees by copying AHCCCS on all closure notifications sent to licensees. ADHS routinely sends information regarding enforcement actions taken against licensees to AHCCCS, shares information, and collaborates with other agencies on large-scale investigations, including sharing information with the AHCCCS Office of Inspector General (OIG), Adult Protective Services (APS), Arizona Attorney General, and law enforcement agencies as investigations take place.

By working closely with these stakeholders, AHCCCS and ADHS have implemented a collective, multifaceted effort to effectively combat member exploitation and fraud, waste, and abuse. This collaborative approach reflects the State's commitment to protecting AHCCCS members and public

health, preserving the Medicaid program's integrity, and fostering a safer health care environment for Arizonans.

Evaluation of Efforts

In addition to continued work with partners across the state and federal government, the State will continue to evaluate the effectiveness of these solutions through claims data monitoring, financial reporting, provider enrollment trends, and other available data sources. AHCCCS will continue to monitor impacted members through their transition to treatment if that is what they choose, or through their safe return to their homes and communities across the state and country. AHCCCS and ADHS will continue collective and individual dialogues with Tribes and the community at large to provide updates on the status of these trends, and ensure that the State is informed of the real-world impacts of the solutions that have been implemented. Lastly, AHCCCS will continue to cooperate and support law enforcement authorities in the prosecution of the perpetrators of this scheme, and ensure the agency is doing everything within its power to hold them fully accountable.

Conclusion

Table 1 outlines the agencies' response to the expansive member exploitation and fraudulent billing schemes. The plan encompasses administrative and humanitarian components, and demonstrates the State's commitment to addressing the immediate member impact while also ensuring that system weaknesses are mitigated to prevent future occurrences.

AHCCCS and ADHS have taken decisive actions, including suspending more than 300 providers involved in suspected fraudulent billing practices from receiving Medicaid reimbursement. The agencies have also made significant improvements to their operations and Tribal Consultation processes, fostering more system oversight and more meaningful engagement with Tribal partners.

Moving forward, AHCCCS and ADHS remain dedicated and vigilant in combating this issue. AHCCCS will continue refining its Tribal Consultation meetings and overall Tribal engagement strategy, building on a foundation of understanding the unique needs of the 22 federally-recognized Tribal communities in Arizona. AHCCCS will also continue to work with its Tribal partners to further safeguard the integrity of the Medicaid program and the well-being of its members.

While AHCCCS and ADHS acknowledge their natural limitations as non-law enforcement agencies, the fight against fraud is an opportunity to collaborate with local, Tribal, state, and federal law enforcement entities to prosecute the bad actors responsible for these schemes to the fullest extent of the law. AHCCCS and ADHS, guided by organizational values of accountability, courage, respect and community, will close the door on fraudulent behavioral health billing, restore the integrity of the Medicaid program, and ensure the health and safety of its enrolled members.

Response Plan to Member Exploitation and Provider Fraud

Appendix A

AUDIT

4. External forensic audit
5. Reviewing all existing claims edits
20. Working with the AZ Corporation Commission to flag excessive amounts of companies opened
30. Additional trend reports and data pulls

BILLING CHANGE

1. Set billing thresholds
8. Set a threshold for reimbursement request volume triggering increased scrutiny
9. Reporting flag to stop and deny claims
14. All per diem codes have been limited
15. Set billing thresholds and imposed prepayment review
22. Eliminated the ability for providers to bill on behalf of others.
26. Created additional documentation requirements and prepayment review of specified behavioral health codes
46. Require visual attestation of individual billers
47. Require third-party billers to disclose terms of

DELIVERY SYSTEM CHANGE

33. Explore the feasibility of Tribal MCOs

EMERGENCY RULES UPDATE

24. Implemented emergency rules

LEGISLATIVE/ LICENSING

2. Prioritized timely inspections
3. Enforcement actions taken against licensees with significant deficiencies
28. Request an increase in staff
34. Consolidate the regulation of behavioral health facilities
36. Eliminate ownership loopholes
37. Eliminate inspection loopholes.
38. Increase fine limits in statute
39. Require fine payment with annual licensing fee.
40. Establish a monitoring fee for non-compliant licensees.
41. Remove SLH confidentiality
42. ADHS funding for electronic systems

MASS PROVIDER SUSPENSION

16. Suspended payments to more than 300 behavioral health providers based on a Credible Allegation of Fraud (CAF)

MEMBER ASSIGNMENT CHANGE

21. Determine methodology for AIHP enrollment criteria

MEMBER PROTECTIONS

6. Created a data request process for law enforcement
12. Streamlining Professional Board reporting
17. Launched the 2-1-1 (press 7) hotline
23. Revised the AHCCCS Provider Participation Agreement (PPA)
27. Issue additional CAF suspensions
32. Establishing a provider registry
35. Increase care coordination and case management for rural Fee for Service populations

RATE CHANGE

7. Set a specific rate for billing code H0015

MEMBER PROTECTIONS/PROVIDER OVERSIGHT

27. Implement enhanced quality management/ quality assurance, including provider onsite audits/provider visits

POLICY CHANGE

11. Monitor how many entities behavioral health professionals (BHP) are employed by
18. Revised AMPM Chapter 610 policy to address provider conflicts of interest.
43. Increased culturally competent care and collaborate with tribes on best practices
45. Re-publish the Covered Behavioral Health Services Guide

PROVIDER ENROLLMENT CHANGE

13. Ended approval of retroactive provider registrations
19. Elevated three behavioral health provider types to the high-risk category
25. Implemented federal authority to impose a moratorium on new provider