



Housing and Health Opportunities

October 1st, 2024

Effective Dates: 10/1/2024

DEFINITIONS

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

GENERAL INFORMATION

On 10/14/22, CMS approved Arizona’s request for a five-year extension of its 1115 Waiver, continuing the long-standing authorities and programs that have made Arizona’s Medicaid program innovative, effective, and efficient, including integrated managed care for AHCCCS populations through AHCCCS Complete Care (ACC); the Arizona Long Term Care System (ALTCS); the Comprehensive Health Plan (CHP) for children in foster care; and Regional Behavioral Health Agreements (RBHAs) which provide integrated care for individuals with a Serious Mental Illness (SMI). In addition to renewing these historic programs, this 1115 Waiver includes approval for transformative projects intended to advance member health outcomes, Targeted Investments 2.0 and Housing and Health Opportunities. This approval is effective from October 14, 2022 through September 30, 2027. Effective October 1, 2024, AHCCCS is implementing the Housing and Health Opportunities (H2O) demonstration under the 1115 waiver demonstration approved by CMS. The goal of the AHCCCS H2O demonstration is to enhance and expand housing services and interventions for specific AHCCCS members who are homeless or at risk of becoming homeless. The H2O demonstration is designed to complement AHCCCS’ existing housing program, funded with State General Fund dollars, which provides rent subsidies to individuals experiencing homelessness.

Under this demonstration, AHCCCS seeks to:

- Increase positive health and wellbeing outcomes for target populations including the stabilization of members’ mental health conditions, reduction in substance use, improvement in the utilization of primary care and prevention services, and increased member satisfaction,
- Reduce the cost of care for individuals successfully housed through decreased utilization of crisis services, emergency department utilization, and inpatient hospitalization, and
- Reduce homelessness and improve skills to maintain housing stability.

H2O services are designed to meet the unique housing needs of eligible members. Services span across the various areas in which there are identified gaps in care for members who are experiencing homelessness. H2O services are designed to be brief and meet the health-related social needs of members to help with housing stabilization and re-engagement with the provider network within their health plan.

Services under the H2O benefit will be furnished to individuals who reside and receive services in their home or in the community, not in an institution.

For additional information regarding the Housing and Health Opportunities (H2O) demonstration, refer to AMPM Chapter 1700.

AHCCCS has procured an H2O-Program Administrator for the purpose of supporting AHCCCS by performing the following:

- Increasing provider enrollment for Community Based Organizations (CBOs) addressing Health Related Social Needs (HRSNs),
- Verifying member eligibility for H2O services following AHCCCS guidelines,
- Coordinating H2O services with the member’s health plan and care coordination team,
- Developing a streamlined process for H2O providers to submit actions for reimbursement and ensuring compatibility with Medicaid claims,
- Monitoring and tracking H2O service utilization data,
- Providing technical assistance to H2O providers based on established AHCCCS policies, and
- Serving as the single source of contact for member’s health plan and care coordination teams

Covered Services

Covered H2O services and housing-related supportive wrap-around services include:

- Outreach and Education Services,
- Transitional Housing- Apartment or Rental Unit (Rental Assistance),
- Transitional Housing- Transitional Housing Setting (Enhanced Shelter),
- One-time Transition and Moving Costs,
- Home Accessibility Modifications, and Housing Pre-Tenancy/Tenancy Services.

Member Eligibility

H2O eligible members shall be:

1. Title XIX eligible and enrolled in Medicaid in order to participate in H2O services, and
2. Members must be experiencing homelessness or at risk of homelessness, as defined by the U.S. Department of Housing and Urban Development (HUD) in 24 CFR 91.5.

Members may meet any of the **four** categories of homelessness as defined by HUD:

- Literally Homeless,
- Imminent Risk of Homelessness,
- Homeless Under Other Federal Regulation, or
- Fleeing/Attempting to Flee Domestic Violence.

Members must also have a:

1. Seriously Mentally Ill (SMI) designation in accordance with A.R.S. § 36-550 and AMPM Policy 320-P **and** have a diagnosed chronic health condition as specified in [H2O Chronic Health Condition Diagnosis list on the Medical Coding Resources site](#), or
2. SMI designation in accordance with A.R.S. §36-550 **and** currently be incarcerated in a correctional facility with a release date scheduled within 90 days or have been released from a correctional facility within the last 90 days.

Process for Establishing Member Eligibility

AHCCCS will initiate a file of potentially eligible members. The file will contain a cohort of individuals who potentially meet H2O eligibility criteria.

AHCCCS will submit the file to the H2O-Program Administrator once every two weeks. The H2O-Program Administrator will be responsible for contacting the members' health home to begin care coordination efforts and verify their current homelessness status. The members' health home will complete a Homeless Verification Letter (HVL) and provide it to the H2O-Program Administrator. The members' health home will be responsible for updating the members Integrated Care Plan to ensure housing and health related services are added to the members care plan. The member's health home will ensure the assessment is completed in compliance with policy [320-O - Behavioral Health Assessments, Service, and Treatment Planning](#).

For AIHP Members, the H2O Program Administrator will be responsible for contacting DFSM who will use utilization to identify where the member is receiving services. The members' provider will complete the HVL and return it to the H2O-Program Administrator.

The H2O-Program Administrator will review the HVL and supporting documentation and verify the members H2O eligibility status. The H2O-Program Administrator will return eligibility information to AHCCCS. AHCCCS will update the AHCCCS online portal to display the members H2O eligibility. AHCCCS will send the H2O eligibility information to the members assigned RBHA or TRBHA, AIMH or IHS/638 facility.

Once eligibility has been established, the H2O-Program Administrator will then identify an H2O provider to refer the member to, alert the RBHA, TRBHA, AIMH, or IHS/638 facility, and submit the referral to the H2O provider. The H2O provider would then be responsible for including the RBHA, Health Home, TRBHA, AIMH, or IHS/638 facility in ongoing coordination for the member during their involvement with H2O services.

Provider Requirements

All providers who will provide H2O covered services must register with AHCCCS under one of the designated H2O Provider types listed below and contract with the H2O Program Administrator. The H2O Program Administrator will be responsible for attesting to providers meeting provider qualifications and assisting them with applying to become an AHCCCS Registered Provider. Further details are included AMPM Chapter 1700.

BILLING INFORMATION

Claims will be flagged as H2O eligible services, using HCPC codes that will only be made available to H2O Providers. AHCCCS will require validation of service received and submission of claims in order to track utilization and member receipt of the service. H2O Providers will verify that a member is eligible for H2O using AHCCCS Online. H2O Provider will submit for reimbursement to the H2O Program Administrator

following an approved invoice submission process. The H2O Program Administrator will transfer the invoice to a claim and submit the claim to AHCCCS.

Provider Type	HCPC Codes
PT-ES Enhanced Shelter	H0043, T2024
PT-HO H2O Housing and Health Opportunities Provider	T2023, T2024
PT-HA Statewide Housing Administrator	H0044, T2029, T2028

ENHANCED SHELTER

PT-ES Enhanced Shelter

The H2O Program Administrator will facilitate appropriate member referrals to Enhanced Shelter Providers. The Enhanced Shelter provider will submit for reimbursement to the H2O Program Administrator following an approved invoice submission process. The H2O Program Administrator will use the H0043 and T2024 codes to transfer actions to claims for Enhanced Shelter providers. The Enhanced Shelter Provider is responsible for ensuring all members meet the H2O eligibility criteria and have not exceeded their 6 months of Transitional Housing intervention within the demonstration period.

Enhanced Shelter providers must meet the programmatic and provider requirements defined in AMPM Chapter 1700.

H0043 – Supported Housing, per diem

Place of Service – 04, Homeless Shelter

The Enhanced Shelter provider completes data entry in the Homeless Management Information System (HMIS). The H2O-Program Administrator will submit the action as a claim using the H0043 code. Enhanced Shelter providers will be responsible for providing program outcomes and reports to the H2O Program Administrator as described in their contract. This will include verification of dates the member stayed in the Enhanced Shelter. The H2O Program Administrator will be responsible for reporting to AHCCCS when a member is scheduled to begin to receive the rental assistance benefit. An RA exception code will be added to their member eligibility. The H2O Program Administrator will provide RA exception begin and end dates. The exception code will be used to determine if the member has reached their six-month limit for short term rental assistance and/or Enhanced Shelter.

T2024 – Waive certain requirement, modifications to assessment and integrated care plan

Reporting code only no associated reimbursement. Must be processed and approved as a zero payment.

Place of Service – 04, Homeless Shelter, 11, Office, 12, Home, 53, Community Mental Health Center

The Enhanced Shelter staff will be responsible for completing an HRSN screening tool within 48 hours of admission into the Enhanced Shelter. The results will be sent to the H2O Program Administrator and include the date of completion. The H2O Program Administrator will submit the action as a claim using the T2024 code. The Enhanced Shelter provider will be responsible for providing a copy of the HRSN screening to the members assigned health home. The Health Home will need to ensure areas where the member screened YES, are added to the members diagnosis using the appropriate Z Code.

H2O PROVIDER

PT-HO H2O Housing and Health Opportunities Provider

The H2O Program Administrator will use the T2023 and T2024 codes to transfer actions to claims for H2O Providers. The H2O Provider will submit for reimbursement to the H2O Program Administrator following an approved invoice submission process. The H2O Pre-Tenancy/Tenancy Support Roster will include members referred directly to the H2O Provider through the H2O Program Administrator and who received Pre-Tenancy/Tenancy support services during the reporting period.

T2023 – Targeted Case Management; per month

Housing Navigation, Support and Sustaining Services (Pre-Tenancy/Tenancy Support)

Place of Service – Office (11), Home (12), Homeless Shelter (04), 53 Community Mental Health Center
H2O Providers providing pre-tenancy and tenancy sustaining services, as defined in AMPM 1700, can submit reimbursement per member per month to the H2O Program Administrator. The H2O Program Administrator will work with the members' health home to identify an H2O Provider the member would like to receive services from. If the member does not identify a provider, they would like to receive services from the H2O Program Administrator may auto assign an H2O Provider to a member. This is to ensure the member has access to the service once they have been deemed eligible. The member will be able to request a transfer to another provider as needed. Once a member has completed an intake with the H2O Provider the H2O Provider can submit for reimbursement following an approved invoice submission process. The H2O Program Administrator will use the T2023 code to transfer the invoice to a claim. This is a monthly code; billing will be submitted once per month. The H2O Provider must maintain records of interactions that occurred with the member during the month. The H2O Provider must meet contact requirements as defined in AMPM 1720-2. This includes all outreach attempts, face-to-face visits, care coordination efforts, etc. The H2O Provider will be responsible for submitting member outcomes to the H2O-Program Administrator as described in the contract.

T2024 – Waive certain requirement, modifications to assessment and integrated care plan

Reporting code only no associated reimbursement. Must be processed and approved as a zero payment.

Place of Service – Office (11), Home (12), Homeless Shelter (04), 53 Community Mental Health Center

The H2O Providers will be responsible for completing an HRSN screening tool at intake. The results will be sent to the H2O Program Administrator and include the date of completion. The H2O Program Administrator will submit the action as a claim using the T2024 code. The H2O Provider will be responsible for providing a copy of the HRSN screening to the members assigned health home. The Health Home will need to ensure areas where the member screened Yes, are added to the members diagnosis using the appropriate Z Code.

STATEWIDE HOUSING ADMINISTRATOR

PT-HA Statewide Housing Administrator

The H2O Program Administrator will use the H0044, T2029, and T2028 codes to transfer actions to claims for services provided through the Statewide Housing Administrator eligible members. The SHA must ensure services meet programmatic requirements defined in AMPM 1700.

**H0044 – Supported Housing, per month
Rental Assistance, Cost Based**

Place of Service – Home (12)

CAP is 110% of Fair Market Rent (FMR), with annual reassessment

The Statewide Housing Administrator will confirm the member is eligible for H2O services and has not exceeded their transitional housing benefit. The SHA will confirm there is a long-term housing subsidy the member can transition to within the amount of time the member has the available benefit. The SHA will follow the requirements of their contract for confirming household composition and verifying the household income. The SHA will approve the voucher amount following standard protocols. The member will be provided a list of landlords approved to work with the program, the member may also identify a new property not currently listed with SHA and submit the information to the SHA for vetting. Once the landlord and/or property owner has been approved the landlord will submit a request for tenancy approval (RFTA) to the SHA. The SHA will confirm the unit meets rent reasonableness and is within the approved payment standard. The SHA will determine the tenant share and the Housing Assistance Payment (HAP). The landlord will identify an available inspection date on the RFTA. Once the RFTA is approved the SHA will schedule and complete an inspection on the unit. The unit is not eligible for subsidy prior to a passed inspection and the member should not move in prior to a passed inspection. When the unit passes the inspection, the member may sign the lease and move into the unit. The landlord will be responsible for providing the SHA a copy of the lease agreement. At minimum the lease must include the physical address and unit number, the monthly rental amount, move in expense (pro-rated amounts and deposits) and be compliant with the Arizona Residential Landlord and Tenant Act. The SHA will execute a housing assistance agreement with the landlord. The landlord will receive payment when the SHA has received an executed lease and housing assistance agreement.

The SHA will release the HAP payment to the landlord in order for the member to be able to move into the unit. The SHA will submit the H2O H0044 Tenant Confirmation Sheet to the H2O Program Administrator for reimbursement.

The H2O-Program Administrator will review the documentation and transfer the action to a claim. They will authorize the SHA to continue payments for the HAP amount if the member has the benefit available to them, no more than 6 months throughout the demonstration period.

The SHA must maintain records for scheduled on site monitoring, this includes but is not limited to:

- Contact and Care Coordination Notes
- Inspection Documentation
- Tenant Itemized Income Worksheet
- Income Verification Documentation
- HAP Payment History
- All other data elements used to monitor program performance and outcomes

**T2028 – One-Time Payment for Security Deposit and Utilities, or eviction prevention
Cost Based Reimbursement, up to a cap.**

Place of Service – Home (12)

The SHA will receive verification of the security deposit amount from the landlord and verify it is within allowed amounts. The SHA will receive documentation that verifies the utility deposit and/or utility arrears payments and verify it is within allowed amounts. The SHA will submit documentation to the H2O Program Administrator to receive reimbursement for security deposits and utility payments supporting members with accessing housing. The SHA will adhere to protocols for managing refundable security deposits to ensure the funds are returned to the program and used on authorized expenses.

Members who received H2O short term rental assistance may be eligible to receive eviction prevention funds. The SHA will implement eviction prevention protocols to confirm member eligibility. Once approved the SHA will receive documentation that verifies the amounts and submit to the H2O Program Administrator to receive reimbursement.

Maximum amounts:

- Utility Arrears - pay up to two months utility arrears not to exceed \$1,000 per member.
- Move-in Assistance - pay move-in costs including required fees and deposits, security deposits, utility deposits, not to exceed \$3,000 per member.
- Eviction Prevention - pay up to 2 months rental arrears not to exceed \$3,000.

T2029 – Home Accessibility Modifications

Non-risk payment, cost reimbursement

CAP is \$5,000 per member through the lifetime of the demonstration.

Place of Service - Home (12)

Property owners and managers are required under fair housing requirements to approve reasonable accommodations and reasonable modifications. Individuals are typically responsible for the cost to modify the unit for medical necessity, and in some cases, the cost to restore the unit to the condition prior to the modification.

The program will assist with medically necessary home accessibility modifications: Home modifications shall have a specific adaptive purpose aimed at increasing the member's ability to function with greater independence in their own home.

The SHA will perform the following steps to assist the participant and facilitate a reasonable modification:

Determine Medical Needs

- a. The member informs their H2O Provider or RBHA Case Manager of the need for home modification and submits a request for reasonable modification to the Statewide Housing Administrator (SHA).
- b. The SHA provides a reasonable modification form that can be completed to document medical necessity.
- c. The SHA will coordinate with the participant and case manager to provide a copy of the completed request for reasonable modification form to the property owner/manager for review and approval.

Following approval from the property owner/manager. The SHA gathers additional information to confirm cost effectiveness and verification that the modification can be made to the unit.

- a. Obtain provider order,
- b. Obtain bids with quotes from 3 Contractors within the member's GSA to ensure cost effectiveness,
- c. Notifies the property owner/manager of the proposed scope of work to complete the reasonable modification, and
- d. Send the documentation to H2O-PA.

H2O-PA Member Services Manager review and processes the request.

- a. Review for medical necessity (ensure there is a script from PCP) and cost effectiveness
- b. Accepts the bid for the contractor who is most cost effective.
- c. Process the claim for the amount on the quote using HCPC T2029.

For members who are AIHP, the H2O-PA will submit a prior authorization request to DFSM and receive an approved authorization from DFSM prior to commencing work.

Payments are processed.

- a. The H2O-PA submits the claim to AHCCCS after services have been rendered via the 837 process.

PRIOR AUTHORIZATION REQUIREMENTS FOR AIHP MEMBERS ONLY

The H2O Program Administrator is responsible for confirming the member's eligibility for H2O benefits and submitting a request for Prior Authorization (PA) to the DFSM H2O Unit via the [AHCCCS Online Provider Portal](#).

A Prior Authorization is required for the following H2O Services:

- H0043 – Supported Housing, Enhanced Shelter
- H0044 – Supported Housing, per month Rental Assistance
- T2029 – Home Accessibility Modifications

All PA requests shall include a completed H2O Prior Authorization Form documenting the following information:

- Member demographic,
- Tribal affiliation,
- TRBHA if applicable,
- AIMH if applicable,
- Members' Behavioral Health Provider,
- Anticipated H2O service provider,
- Anticipated Dates of service, and
- A valid ICD 10 diagnosis "Z" code for homelessness or housing instability, and

- Attest to the receipt of the following supporting documents and the dates documents completed:
 - o Homeless Verification Letter (HVL)
 - o comprehensive assessment
 - o HRSN screening tool
 - o Housing Care Plan

Upon receipt of a request for authorization the DFSM H2O Unit will review the information submitted to ensure the (1) homeless, (2) SMI designation, and (3) diagnosed chronic health condition criteria have been met.

H2O Program Administrator shall maintain H2O documentation and provide records to DFSM within 48 hours of a request.

RENTAL ASSISTANCE SERVICES

For Rental Assistance services, the H2O Program Administrator will include the following information on the authorizations:

- A begin and anticipated end date that spans six months in duration,
- Six units of billing code H0044 (Supported Housing, per month, Rental Assistance, Cost Based).

ENHANCED SHELTER SERVICES

For Enhanced Shelter services, H2O Program Administrator shall notify DFSM no later than 72 hours after an FFS member is placed in shelter. DFSM may deny payment for failure to provide timely notice.

The initial authorization shall include:

- Date of placement and approximate length of stay

A request for continued authorization is required every 30 days. The request shall include an attestation from the H2O Program Administrator that attests to the following:

- If applicable, changes in member circumstances are being addressed,
- In the past 30 days, steps have been taken to identify housing, and
- There is an action plan for moving member to supported housing.

Additional information needed for review of continued authorization shall be submitted to AHCCCS upon request.

HOME ACCESSIBILITY MODIFICATIONS

For Home Accessibility Modifications services, the H2O Program Administrator will submit the H2O Prior Authorization form and the Home Modification Request form which will include the following information:

- Modification Requested
- PCP or attending physician order
- Documentation to support medical necessity including an assessment of the Home modification's impact on the member's ability to independently perform Activities of Daily Living (ADLs).
- Documentation to support cost-effectiveness and estimated cost

A written decision regarding approval or denial of the service shall be provided within 30 days from receipt of a properly completed request.

The preferred method of PA submission is via the [AHCCCS Online Provider Portal](#). This is the quickest way to submit for PA and to check the status of a PA request.

A pended PA number will be assigned to prior authorization requests after they are reviewed. Once reviewed either an approval or a denial will be issued, or the authorization will be pended for additional information to substantiate compliance with AHCCCS criteria.

AHCCCS generates a PA confirmation letter with appropriate approval, denial, or pending information. The letter is mailed to the H2O Program Administrator by the next working day.

When a PA is denied concurrently, AHCCCS also generates a Notice of Action letter that is mailed to the member within three working days of the request. No denial letters are sent to members for services that are denied retrospectively.

Per A.A.C. R9-22-703 (D)(3) all services reimbursed, whether prior authorized or not, are subject to post-payment audit and recoupment if DFSM determines that the services were not medically appropriate.

Claim Submission Directions

It is not necessary for the provider to enter the PA number on the claim form. If a valid PA exists for the service, the AHCCCS claims system will automatically match the claim information against established PA files and choose the correct one.

The information entered on the claim form must match what has been prior authorized and listed on the PA confirmation letter. If there are any discrepancies the system will not find the appropriate PA and the claim will be denied. Any known PA discrepancies should be corrected prior to submitting a claim.

If a PA discrepancy is discovered after the claim has been paid, then the provider must submit a PA correction request with supporting documentation. PA correction requests should be entered using the

web portal. The FFS Correction Form can be uploaded as an attachment to ensure prior authorization staff can accurately identify which corrections need to be made. The correction form can be found on the PA website.

Once the PA correction request has been reviewed and approved, then a replacement claim can be submitted.

H2O CLAIM SUBMISSIONS

All claims for H2O related services will be submitted to AHCCCS DFSM via the 837 process by the H2O Program Administrator. Claims for H2O services submitted to DFSM are required to follow the applicable Fee-for-Service claim submission requirements. Please refer [to Chapter 4, General Billing Rules](#), of the Fee-For-Service Provider Billing Manual for general information related to the AHCCCS billing rules and claim submission requirements.