

NOTICE OF PROPOSED RULEMAKING

TITLE 9. HEALTH SERVICES

CHAPTER 28. ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM ADMINISTRATION

PREAMBLE

1. Article, Part, or Section Affected (as applicable)

Rulemaking Action

R9-28-1301	Amend
R9-28-1303	Amend
R9-28-1304	Amend
R9-28-1309	Amend
R9-28-1313	Amend
R9-28-1316	Amend
R9-28-1324	Amend

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

Authorizing statute: A.R.S. § 36-2932

Implementing statute: A.R.S. § 36-2950

3. Citations to all related notices published in the *Register* as specified in R1-1-409(A) that pertain to the record of the proposed rule:

Notice of Rulemaking Docket Opening: (volume #) A.A.R. (page #) [to be filled in by SOS editor]

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

Name: Sladjana Kuzmanovic

Address: AHCCCS Office of Administrative Legal Services

801 E. Jefferson

Phoenix, AZ 85034

Telephone: (602) 417-4232

Fax: (602) 253-9115

E-mail: AHCCCSRules@azahcccs.gov

Web site: www.azahcccs.gov

5. An agency's justification and reason why a rule should be made, amended, repealed or renumbered, to include an

explanation about the rulemaking:

The proposed rulemaking is submitted in response to the Five-Year Review Report submitted on January 23, 2018, and on May 30, 2023, which are intended to clarify the current rules. The rule amendments are proposed to promulgate rules that are clear, concise, and understandable for members of the public. The proposed rules do not impose any additional burdens or costs to regulated persons, and failure to conduct this rulemaking will promote unnecessary utilization of resources, and the incurring of unnecessary costs.

6. 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:

No studies were conducted relevant to the rule.

7. 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.

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

None of the changes proposed in this 5YRR have any effect on the economic impact of this chapter. Substantive and procedural rights of members are not affected, nor are any of the programs of the Administration. These proposed changes are merely clarifying.

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

Name: Sladjana Kuzmanovic
Address: AHCCCS Office of Administrative Legal Services
801 E. Jefferson
Phoenix, AZ 85034
Telephone: (602) 417-4232
Fax: (602) 253-9115
E-mail: AHCCCSRules@azahcccs.gov
Web site: www.azahcccs.gov

10. 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:

Proposed rule language will be available on the AHCCCS website www.azahcccs.gov as of July 7, 2023. Please send written or email comments to the above address by the close of the comment period, 5:00 p.m., August 6, 2023.

Date: August 7, 2023
Time: 2:00 p.m.
Location: (meet.google.com/izd-iqwo-kdz)

Nature: Public Hearing

Nature: Public Hearing

11. 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:

No other matters have been prescribed.

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:

Not applicable.

b. 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:

The rulemaking must be established consistent with 42 CFR Part 433 Subpart B. The rule is not more stringent than 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:

No analysis was submitted.

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

Not applicable.

13. The full text of the rules follows:

TITLE 9. HEALTH SERVICES
CHAPTER 28. ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM ADMINISTRATION
ARTICLE 13. FREEDOM TO WORK

Section

- R9-28-1301. General Freedom to Work Requirements
- R9-28-1303. Application for Coverage
- R9-28-1304. Notice of Approval or Denial
- R9-28-1309. Conditions of Eligibility
- R9-28-1313. Premium Requirements
- R9-28-1316. Institutionalized Person
- R9-28-1324. Redetermination of Eligibility

R9-28-1301. General Freedom to Work Requirements

The Administration shall determine eligibility for AHCCCS medical services under ~~Article 2 of this Chapter and~~ A.A.C. R9-22-1901.

R9-28-1303. Application for Coverage

- A. A person may apply by submitting an application to an Administration office.
- B. The application date is the date the application is received at an Administration office.
- C. The provisions of ~~A.A.C. R9-22-1406(B) and (D)~~ R9-22-302 apply to this Section.
- D. An applicant or representative who files an application may withdraw the application either orally or in writing. The Administration shall send an applicant withdrawing an application a denial notice under R9-28-1304.
- E. Except as provided in 42 CFR 435.911, the Administration shall determine eligibility within 45 days.

R9-28-1304. Notice of Approval or Denial

The Administration shall send an applicant a written notice of the decision regarding the application. This notice shall include a statement of the action and:

- 1. If approved:
 - a. The effective date of eligibility,
 - b. An explanation of the person’s hearing rights specified in 9 A.A.C. 34; or
- 2. If denied, the information required by ~~R9-28-401.01(G)(2)~~ R9-28-401.01(E)(2).

R9-28-1309. Conditions of Eligibility

An applicant or member shall meet the following conditions to qualify for the Freedom to Work program:

- 1. Furnish a valid Social Security Number (SSN);
- 2. Be a resident of Arizona;
- 3. Be a citizen of the United States, or meet requirements for a qualified alien under A.R.S. § 36 2903.03(B);
- 4. Be at least 16 years of age, but less than 65 years of age;
- 5. Have countable income that does not exceed 250 percent of FPL. The Administration shall count income under 42 U.S.C. 1382a and 20 CFR 416 Subpart K with the following exceptions:
 - a. The unearned income of the applicant or member shall be disregarded,

- b. The income of a spouse or other family members shall be disregarded, and
- c. The deduction for a minor child shall not apply;
- 6. Reside in a living arrangement specified under R9-28-406(A);
- 7. Be determined as physically or developmentally disabled by meeting the medical criteria under Article 3 of this Chapter; and
- 8. Comply with the member responsibility provisions under ~~A.A.C. R9-22-1502(D) and (F)~~ R9-22-306.

R9-28-1313. Premium Requirements

- A. As a condition of eligibility, an applicant or member shall:
 - 1. Pay the premium required under subsection (B).
 - 2. Not have any unpaid premiums that exceed the premium amount for one month.
- B. ~~The Administration shall process premiums under 9 A.A.C. 31, Article 14~~ The Administration shall process premiums under 9 A.A.C. 31, Articles 1409 – 1419 with the following exceptions:
 - 1. A member who has countable income:
 - a. Under \$500, the monthly premium payment shall be \$0.
 - b. Over \$500 but not greater than \$750, the monthly premium payment shall be \$10.
 - 2. The premium for a member shall be increased by \$5 for each \$250 increase in countable income above \$750.

R9-28-1316. Institutionalized Person

- A. person is not eligible for AHCCCS medical coverage if the person is:
 - 1. An inmate of a public institution and federal financial participation (FFP) is not available, or
 - 2. ~~Older than age 20 but younger than age 65 and is residing in an Institution for Mental Disease under 42 CFR 435.1009 except when allowed under the Administration's Section 1115 IMD Waiver or allowed under a managed care contract approved by CMS. Age 22 through age 64 and is residing in an ICF/IID except when allowed under the Administration's Section 1115 Demonstration Project or allowed under a managed care contract approved by CMS.~~

R9-28-1324. Redetermination of Eligibility

- A. Redetermination. Except as provided in subsection (B), the Administration shall complete a

redetermination of eligibility at least once a year.

- B.** ~~Change in circumstance. The Administration may complete a redetermination of eligibility if there is a change in the member's circumstances, including a change in disability or employment that may affect eligibility.~~ Change in circumstance. The Administration shall complete a redetermination of eligibility if there is a change in the member's circumstances, including a change in disability or employment that may affect eligibility.
- C.** Medical Improvement. If a member is no longer disabled under Article 3 of this Chapter, the Administration shall determine if the member is eligible under other coverage groups.