

**Division of Developmental Disabilities**

## Policy Notification

**Early Notification Transmittal Date: Mar 26, 2026**

**Public Comment Transmittal Date: May 6, 2026**

---

### Notification

DDD is proposing **changes to the following policy** :

**AdSS Operations Manual, Policy**

436 Network Standards

Description of **changes** :

This document has been **Revised** to align with **AHCCCSs ACOM updates**.

- Reorganized and reformatted for clarity.
- Updated definitions.
- Revised reporting requirements to reflect the new requirement of two distinct deliverable submissions.
  
- Updated language regarding the required documents throughout.

### Public Comment Timeline

Dates: Public comment will be open for 30 days beginning May 6, 2026 and closing June 5, 2026, 11:59 pm, Arizona time.

Instructions: (Complete instructions are located on the Division's webpage)

- Comments may be submitted online by clicking here.
- Do not include any information that is confidential, covered under HIPAA, or inappropriate for public disclosure.

If access to the online form is not available or if you have questions, please email the DDD Policy Unit at [DDDpolicy@azdes.gov](mailto:DDDpolicy@azdes.gov).

## 436 Network Standards

Revision Dates: XX/XX/XXXX, 7/30/2025, 3/27/2024, 4/26/2023,  
12/22/2021

Review Dates: 7/31/2025, 8/28/2024, 9/12/2023

Effective Date: October 1, 2019

References: 42 C.F.R. Part 457; 42 C.F.R. Part 438; 42 § C.F.R.  
438.206(b)(1); A.R.S. §§ 32-1201 et seq 32-1901 et seq, 36-401 et seq,  
36-421 et seq; A.A.C. R9-10, R9-10-801 et seq, R9-22-101, R9-33-101 et  
seq; ACOM 415; ACOM 436; ACOM 438; AdSS Contract

### Purpose

This policy applies to the Division's Administrative Services Subcontractors (AdSS). This policy establishes Network Standards and the oversight and monitoring Network Standards for the AdSS.

### Definitions

1. "Assisted Living Center" or "ALC" means an Assisted Living Facility that provides resident rooms or residential units to 11 or more residents as specified in A.R.S. § 36-401.
2. "Assisted Living Home" or "ALH" means an ALTCS approved alternative home and community based services (HCBS) setting that provides room and board, supervision, and coordination of necessary services to 10 or fewer residents.

3. "Attachment A" means the ACOM 436 Attachment A - Minimum Network Requirements Time and Distance Verifications document for reporting the Network Standards in which the Division and the AdSS are required to meet.
4. "Attachment B" means the ACOM 436 Attachment B - ALTCS E/PD and DDD Facility Reporting document for reporting the number of ALCs, ALHs, and Group Homes serving each county in Arizona.
5. "Attachment C" means the ACOM 436 Attachment C - Minimum Network Requirements Multi-Disciplinary Clinics Report document for reporting Arizona Health Care Cost Containment System (AHCCCS)-approved Multi-Specialty Clinics in Network for each county in Arizona.
6. "Attachment D" means the ACOM 436 Attachment D - Request for Exception to Network Standards document.
7. "Behavioral Health Outpatient and Integrated Clinic, Adult" means a class of healthcare institution without inpatient beds that provides physical health services and behavioral health services for the diagnosis and treatment of patients who are age 18 and above.

8. "Behavioral Health Outpatient and Integrated Clinic, Pediatric" means a class of healthcare institution without inpatient beds that provides physical health services and behavioral health services for the diagnosis and treatment of patients who are under 18 years of age.
9. "Behavioral Health Residential Facility" or "BHRF" means, as specified in A.A.C. R9-10-101, a health care institution that provides treatment to an individual experiencing a behavioral health issue that:
  - a. Limits the individual's ability to be independent; or
  - b. Causes the individual to require treatment to maintain or enhance independence.
10. "Cardiologist, Adult" means a medical doctor who specializes in the diagnosis and treatment of diseases of the heart and blood vessels or the vascular system or patients aged 18 and above.
11. "Cardiologist, Pediatric" means a medical doctor who specializes in the study or treatment of heart diseases and heart abnormalities for patients under the age of 18.
12. "Dentist, Pediatric" means a medical professional regulated by the State Board of Dental Examiners and operating under A.R.S. § 32-1201 for patients under the age of 21.

13. "Geographic Service Area" or "GSA" means an area designated by AHCCCS within which a Contractor of record provides, directly or through subcontract, covered health care services to a Member enrolled with that Contractor of record, as specified in 9 A.A.C. 22, Article 1 and 9 A.A.C. 28, Article 1.
14. "Group Home" means a community residential setting for not more than six individuals with intellectual/developmental disabilities, that is operated by a service provider under contract with the department, and provides room and board and daily rehabilitation and other assessed medically necessary services and supports to meet the needs of each person. A Group Home does not include an adult developmental home, a child developmental home, a behavioral-supported group home, a nursing-supported group home, or an intermediate care facility for individuals with intellectual disabilities.
15. "Home" means a residential dwelling in which the Member is currently living.
16. "Hospital" means a class of healthcare institution that provides, through an organized medical staff, inpatient beds, medical services, continuous nursing services, and diagnosis or

treatment to a patient. Refer to A.A.C. R9-10-101 et seq. and A.R.S. § 36-401-437.

17. "Member" means the same as "Client", a person receiving developmental disabilities services from the Division, as defined in A.R.S. § 36-551.
18. "Multi-Specialty Interdisciplinary Clinic" or "MSIC" means an established facility where specialists from multiple specialties meet with Members and their families for the purpose of providing interdisciplinary services to treat Members.
19. "Network" means physicians, health care Providers, suppliers, and hospitals that contract with a health plan to give care to Members.
20. "Network Standards" means the requirements the Division and AdSS must meet and monitor to ensure that all covered services are available and accessible to Members.
21. "Nursing Facility" means, as defined in 42 § U.S.C. 19396r(a), an institution or a distinct part of an institution that:
  - a. Is primarily engaged in providing to residents:
    - i. Skilled nursing care and related services for residents who require medical or nursing care;

- ii. Rehabilitation services for the rehabilitation of injured, disabled, or sick individuals; or
  - iii. On a regular basis, health-related care, and services to individuals who, because of their mental or physical condition, require care and services above the level of room and board that can be made available to them only through institutional facilities.
  - iv. Is not primarily for the care and treatment of mental diseases; and
- b. Has in effect a transfer agreement, meeting the requirements of 42 § U.S.C. 1861(l), with one or more hospitals having agreements in effect under 42 § U.S.C. 1866; and
  - c. Meets the requirements for a nursing facility described in subsections (b), (c), and (d) of 42 § U.S.C. 1396r ~~1936r~~.
22. "Obstetrician/Gynecologist" or "OB/GYN" means a healthcare practitioner responsible for the management of female reproductive health, pregnancy and childbirth needs or who possess special knowledge, skills and professional capability in the medical and surgical care of the female reproductive system and associated disorders.

23. "Pharmacy" means a facility regulated by the State Board of Pharmacy and operating under A.R.S. § 32-1901.
24. "Primary Care Provider (PCP)" means a person who is responsible for the management of the health care of a Member's health care. A PCP may be a:
- a. Person licensed as an allopathic or osteopathic physician;
  - b. Practitioner defined as a licensed physician assistant; or
  - c. Certified nurse practitioner.
25. "Provider" means a person, institution, or group engaged in the delivery of services, or ordering and referring those services, who has an agreement with AHCCCS to provide services to AHCCCS Members.
26. "Provider Affiliation Transmission" or "PAT" means a data file that provides details of the Providers within the AdSS's Network and is used to measure compliance with Network adequacy requirements.

## Policy

### A. General Network Standards Requirements

The AdSS shall develop and maintain a Provider Network that is sufficient to provide all covered services to Members as specified in the Division contract with the AdSS, policy, and regulations.

### B. Statewide Time and Distance Network Standards

1. The AdSS shall have a Provider Network in place for each county in the AdSS's assigned service area to meet the time and distance standards for the following Provider types and specialties specified in the table below:

PROVIDER CATEGORY	REQUIRED PROVIDER/SPECIALTY TYPE(S)
Behavioral Health Outpatient and Integrated Clinic, Adult and Pediatric	77 or IC
Behavioral Health Residential Facility (BHRF)	B8
Cardiologist, Adult	08 or 31 with a Specialty Code of 062 or 927
Cardiologist, Pediatric	08 or 31 with a Specialty Code of 062, 151, or 927

PROVIDER CATEGORY	REQUIRED PROVIDER/SPECIALTY TYPE(S)
Dentist, Pediatric	07 with a Specialty Code of 800 or 804, C2 Federally Qualified Health Centers (FQHCs) identified by AHCCCS
Hospitals	02 or C4
Nursing Facility (NF)	22
Obstetrician/Gynecologist (OB/GYN)	08, 19, 31, or CN with a Specialty Code of 089, 090, 091, 095, 181, or 219
Pharmacy	03 or 05
Primary Care Provider (PCP), Adult	08 or 31 with a Specialty Code of 050, 055, 060, 089, or 091 or
Primary Care Provider (PCP), Adult	19 or CN with a Specialty Code of 084, 095, or 097 or
Primary Care Provider (PCP), Adult	18 with a Specialty Code of 798
Primary Care Provider (PCP), Pediatrics	08 or 31 with a Specialty Code of 050, 150, or 176 or
Primary Care Provider (PCP), Pediatrics	19, CN with a Specialty Code of 084, 087, or 097 or
Primary Care Provider (PCP), Pediatrics	18 with a Specialty Code of 798

2. The AdSS shall use the table below to calculate compliance with time and distance standards for the following Provider categories, the lines of business that calculate compliance for that Provider type, and the Member population used in the calculation, and the time or distance standards for Maricopa, Pima, and all other counties.

PROVIDER CATEGORY	APPLIES TO	MEMBER POPULATION	COUNTY	STANDARD (90% of membership does not need to travel more than)
Behavioral Health Outpatient and Integrated Clinic, Adult*	All Except CHP	18 years or older	Maricopa, Pima	15 minutes or 10 miles from their residence
Behavioral Health Outpatient and Integrated Clinic, Adult*	All Except CHP	18 years or older	All Others	60 miles from their residence

PROVIDER CATEGORY	APPLIES TO	MEMBER POPULATION	COUNTY	STANDARD (90% of membership does not need to travel more than)
Behavioral Health Outpatient and Integrated Clinic, Pediatric*	All*	under 18 years	Maricopa, Pima	15 minutes or 10 miles from their residence
Behavioral Health Outpatient and Integrated Clinic, Pediatric*	All*	under 18 years	All Others	60 miles from their residence
Behavioral Health Residential Facility (BHRF)	All	All	Maricopa, Pima	15 minutes or 10 miles from their residence
Behavioral Health Residential Facility (BHRF)	All	All	All Others	95 minutes or 85 miles from their residence

PROVIDER CATEGORY	APPLIES TO	MEMBER POPULATION	COUNTY	STANDARD (90% of membership does not need to travel more than)
Cardiologist, Adult*	All except CHP	21 years or older	Maricopa, Pima	30 minutes or 20 miles from their residence
Cardiologist, Adult*	All except CHP	21 years or older	All Others	75 minutes or 60 miles from their residence
Cardiologist, Pediatric*	All	Under 21 years	Maricopa, Pima	60 minutes or 45 miles from their residence
Cardiologist, Adult*	All except CHP	21 years or older	All Others	110 minutes or 100 miles from their residence
Dentist, Pediatric	All	Under 21 years	Maricopa, Pima	15 minutes or 10 miles from their residence
Dentist, Pediatric	All	Under 21 years	All Others	40 minutes or 30 miles from their residence

PROVIDER CATEGORY	APPLIES TO	MEMBER POPULATION	COUNTY	STANDARD (90% of membership does not need to travel more than)
Hospitals	All	All	Maricopa, Pima	45 minutes or 30 miles from their residence
Hospitals	All	All	All Others	95 minutes or 85 miles from their residence
Nursing Facilities	ALTCS E/PD Only	Living in "Own Home"	Maricopa, Pima	45 minutes or 30 miles from their residence
Nursing Facilities	ALTCS E/PD Only	Living in "Own Home"	All Others	95 minutes or 85 miles from their residence
Obstetrician/ Gynecologist (OB/GYN)	All	15 to 45 years old	Maricopa, Pima	45 minutes or 30 miles from their residence
Obstetrician/ Gynecologist (OB/GYN)	All	15 to 45 years old	All Others	90 minutes or 75 miles from their residence

PROVIDER CATEGORY	APPLIES TO	MEMBER POPULATION	COUNTY	STANDARD (90% of membership does not need to travel more than)
Pharmacy	All	All	Maricopa, Pima	12 minutes or 8 miles from their residence
Pharmacy	All	All	All Others	40 minutes or 30 miles from their residence
Primary Care Provider (PCP), Adult*	All Except CHP	21 years or older	Maricopa, Pima	15 minutes or 10 miles from their residence
Primary Care Provider (PCP), Adult*	All Except CHP	21 years or older	All Others	40 minutes or 30 miles from their residence
Primary Care Provider (PCP), Pediatrics*	All	Under 21 years	Maricopa, Pima	15 minutes or 10 miles from their residence
Primary Care Provider (PCP), Pediatrics*	All	Under 21 years	All Others	40 minutes or 30 miles from their residence

3. The AdSS shall ensure Provider types marked with an asterisk are:
  - a. Eligible for a telehealth standard modification; and
  - b. Require 80 percent of a county's membership to meet time and distance standards in any county where telehealth services are available for the Provider category.
4. The AdSS shall:
  - a. Contract with all MSICs in the assigned Geographic Service Area (GSAs) and any MSICs which have provided services to the AdSS's Members; and
  - b. Submit the Minimum Network Requirements MSIC Report, Attachment C, to identify all contracted MSICs the AdSS has contracted with as an alternative delivery model submitted under the AdSS contract, as specified in the AdSS Contract Chart of Deliverables.
5. The AdSS shall ensure the entity complies with the definitions and calculation requirements specified in this policy if the AdSS delegates any portion of the process for calculating time and distance in the policy to a subcontracted entity, such as a dental benefits or pharmacy benefits manager.

### **C. Network Standard Request for Exception Process**

1. The AdSS shall submit Attachment D, Request for Exception to Network Standards as specified in Contract, Section F, Attachment F3, Contractor Chart of Deliverables to the Division when the AdSS has exhausted its efforts to meet any Network Standard specified in this policy.

### **D. Network Oversight Requirements**

1. The AdSS shall:
  - a. Review the results of the annual Time and Distance analysis provided by the AHCCCS contracted independent reviewer.
  - b. Submit the Minimum Network Standards Results Review, as specified in the AdSS Contract and AdSS Chart of Deliverables that includes a cover letter analyzing the results of the independent review and addressing at a minimum the following:
    - i. Any potential causes for each non-compliance identified in the independent reviewer's Time and Distance analysis;

- ii. The AdSS's strategies and efforts to address each of the areas of noncompliance identified by the independent reviewer; and
  - iii. Details of any challenges experienced in the identified areas of non-compliance.
- c. Submit the Minimum Network Standards Plan Review and Update as specified in the AdSS Contract and the AdSS Chart of Deliverables that includes:
- i. A cover letter addressing, at a minimum, the following:
    - 1) The results of the AdSS's own minimum Network reporting evaluated against the requirements of this policy and the findings of the independent review;
    - 2) An update on the AdSS's strategies and efforts to address areas of noncompliance as reported in the Minimum Network Standards Results Review;
    - 3) Additional challenges experienced in areas of non-compliance; and

- 4) An update on any data issues or discrepancies identified by the AdSS related to the independent review.
    - ii. A completed Attachment A - Minimum Network Standards Time and Distance Verification; and
    - iii. A completed Attachment C - Minimum Network Requirements MSIC Report.
  2. The AdSS shall report the requirements in Attachment A for each county in its assigned service area.
  3. The AdSS shall, for the purposes of calculating and reporting the data in Attachment A:
    - a. Use the AdSS's enrollment and Network as of the last day of the reporting period (September 30) and not include non-Title XIX/XXI membership in its time and distance calculation.
    - b. Analyze compliance with these standards based upon the Provider Network reported through the AdSS Provider Affiliation Transmission (PAT);
    - c. Report the percentages in Attachment A, "Time and Distance" tab, rounded to the nearest tenth of a percent;

- d. Report "N/R" (None Reported) for each time and distance standard, instead of a percentage, where there are no Members meeting the population criteria in the County;
- e. Report whether or not telehealth services are available in each county reported for each Provider type eligible for a telehealth standard modification by the AdSS. This is identified by adding a "Y" or "N" in the "Telehealth Available (Y/N)" row underneath the Provider type; and
- f. Consider in the AdSS's dental Network any contracted FQHC identified annually by AHCCCS as providing dental services.

## **E. Network Plan Requirements**

1. The AdSS shall take steps to ensure Network Standards are maintained.
2. The AdSS shall identify gaps and address short and long-term interventions in the Network Development and Management Plan (NDMP) if established Network Standards cannot be met.
3. The AdSS shall address the sufficiency of Member access to the area, and assess the continued need for the exception when an exception has been granted.

---

Signature of Managed Care Program Administrator

DDD DRAFT POLICY