

6003-K CLAIMS DISPUTES

EFFECTIVE DATE: March 12, 2025

REFERENCES: A.R.S. §§ 36-2903.01(B)(4) and 41-1092.01; A.A.C. R9-34-402 and R9-34- 405, ACOM 203.

PURPOSE

This policy outlines the AdSS responsibilities when Providers File a Claim Dispute for Medicaid covered services rendered to the Division’s Members.

DEFINITIONS

1. “Administrative Decision” means the same as defined in A.R.S. § 12-901(2).
2. “Administrative Services Subcontractors” or “AdSS” means an organization or entity that has a capitated contract with the Division of Developmental Disabilities (Division) to provide goods and services to its members either directly or through subcontracts with Providers, in conformance with contractual requirements, Arizona statutes, Arizona rules, Federal law, and Federal regulations.
3. “Arizona Health Care Cost Containment System” or “AHCCCS” means Arizona’s Medicaid Program, approved by the Centers for

Medicare and Medicaid Services (CMS) as a Section 1115 Waiver Demonstration Program and described in A.R.S. Title 36, Chapter 29.

4. "Business Day" means 8:00 a.m. to 5:00 p.m., Monday through Friday, excluding holidays listed in A.R.S. § 1-301.
5. "Calendar Day" means every day of the week including weekends and holidays.
6. "Claim Dispute" means a dispute, Filed by a Provider or DDD service Provider, whichever is applicable, involving payment of a claim, denial of a claim, imposition of a sanction, or reinsurance.
7. "Filed" means the date the AdSS receives a request established by a date stamp on the request or other record of receipt.
8. "Provider" means any individual or entity contracted with the AdSS that is engaged in the delivery of services, or ordering or referring for those services, and is legally authorized to do so by the State.
9. "State Fair Hearing" or "Fair Hearing" means an

administrative hearing under Arizona Revised Statutes, Title 41, Chapter 6, Article 10.

POLICY

A. REQUIREMENTS FOR FILING A CLAIM DISPUTE

1. The Administrative Services Subcontractors (AdSS) shall accept a written Claim Dispute from a Provider that specifies in detail:
 - a. The factual and legal basis for the Claim Dispute;
 - b. The relief requested is related to a claim for payment of authorized-covered services; or
 - c. For the denial of a claim for reimbursement of services that may contest the validity of any adverse action, decision, policy implementation, or rule resulting in the full or partial denial of the claim.
2. The AdSS shall accept Claim Disputes from a Provider that are Filed with the AdSS within:
 - a. 12 months from the:
 - i. Ending date(s) of service;
 - ii. Date of the Member's eligibility posting;

- iii. Date of discharge from a hospital.
 - b. 60 days after the date of the denial of a timely claim submission, whichever is later.
3. The AdSS shall process all Claim Disputes upon receipt.
4. The AdSS shall send the Provider a written notice acknowledging receipt of the Claim Dispute within the five Business Days immediately following the AdSS date of receipt.
5. The AdSS shall inform the Provider that they have 10 Calendar Days from the acknowledgment notice to submit any additional information to the AdSS for consideration regarding the Claim Dispute.
6. The AdSS shall contact the Provider to obtain additional information when the AdSS requires additional information to make an Administrative Decision.
7. The AdSS shall consider and review any relevant Arizona Revised Statutes, Arizona Administrative Codes, Arizona Health Care Cost Containment System (AHCCCS) policies, and AdSS policies when drafting the Administrative Decision.

8. The AdSS shall inform the Provider that they may request a Fair Hearing by submitting a written request to the Office of Administrative Review (OAR) within the 30 Calendar Days following the AdSS dated receipt of the notice of decision.

B. EXTENSIONS

The AdSS shall issue a letter to the Provider when both parties mutually agree to extend the decision deadline either to allow additional time for the AdSS to make a decision or to allow the Provider to submit supporting documentation.

C. NOTICE OF DECISION

1. The AdSS shall send a notice of decision to the Provider within 30 Calendar Days from the AdSS date of receipt unless the parties mutually agree to a deadline extension.
2. The AdSS shall provide a notice of decision that complies with the following relevant regulatory and contractual requirements:
 - a. The date of the decision;
 - b. The factual and legal basis for the decision;
 - c. The Provider's right to request a Fair Hearing;

- d. The instructions for requesting a Fair Hearing; and
- e. Any other documentation that may be relevant and can contribute to the Administrative Decision.

D. OVERTURNED OR REVERSED CLAIM DISPUTES

- 1. The AdSS shall reprocess and pay both overturned and reversed Claim Disputes within the 15 Business Days following the date of the decision as stated in ACOM 203.
- 2. The AdSS shall pay interest on late payments as outlined in AdSS Operations Policy 203.

E. STATE FAIR HEARINGS FOR CLAIM DISPUTES

- 1. The AdSS shall accept requests for a Fair Hearing in writing and forward them to the Division by:
 - a. Email - dddofficeofcompliance@azdes.gov
 - b. Mail - 1789 W Jefferson St.
Phoenix, AZ 85007
 - c. Mail Drop 2HE5
- 2. The AdSS shall provide a copy of the request for a Fair Hearing to DES Appellate Services Administration and the Attorney's

General's Office within the five Business Days immediately following the AdSS dated receipt of the request for a Fair Hearing.

3. The AdSS shall authorize payment and pay for the services when the AdSS receives an adverse decision and decides a review will not be petitioned.

F. PETITION FOR A REHEARING OR A REVIEW

1. The AdSS may seek judicial review of the AHCCCS decision through the court system when the AdSS receives an adverse Administrative Decision.
2. The AdSS shall seek legal advice from the Attorney General's Office to determine if a petition for review should be Filed.
3. The AdSS shall file a petition for a rehearing or a review with the AHCCCS Office of Administrative Legal Services (OALS) when the AdSS has been advised to do so by legal counsel.
4. The AdSS shall submit the petitions for a rehearing or a review in writing to OALS:

AHCCCS Office of Administrative Legal Services

801 East Jefferson Street

Phoenix, AZ 85034

Tyra Oliver

Signature of Compliance Manager

Tyra Oliver

Name

Apr 11, 2025

Date