

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 :

Division 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.
- Updated the network standard requirements.
- 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.

436 Network Standards

Revision Dates: XX/XX/XXXX, 7/30/2025, 3/27/2024, 4/26/2023,
10/1/2019, 1/16/2019

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

Effective Date: May 13, 2016

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, 32-1901, 36-401 et seq, 36-421 et seq;
A.A.C. R9-10, R9-10-101, R9-10-801 et seq, R9-22-101, R9-33-101; ACOM
415; ACOM 436; ACOM 438; AHCCCS Contract

Purpose

This policy applies to the Division's Network staff. This policy outlines
Division Network Standards and the oversight and monitoring of Network
Standards.

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 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.
22. "Obstetrician/Gynecologist" or "OB/GYN" means a healthcare practitioner responsible for the management of female reproductive health, pregnancy and childbirth needs or who possesses 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. Division Minimum Network Standards Requirements

1. The Division shall develop and maintain a Provider Network that is sufficient to provide all covered services to Members as

specified in the AHCCCS contract with the Division, policy, and regulations.

2. The Division shall:
 - a. Maintain contracts with enough Assisted Living Center (ALC) and Assisted Living Home (ALH) Providers to meet Member needs in each Geographic Service Area (GSA);
 - b. Ensure Members have access to at least one ALC or ALH in the Network; and
 - c. Maintain contracts with enough Group Homes for persons with Developmental Disabilities (DD Group Homes) to meet Member needs.

3. The Division shall use its Network of ALCs, ALHs, and Group Home Providers as defined in the table below to report compliance with this policy:

Provider Category	Applies to	Required Provider Type	Member Population	Reporting
ALC	ALTCS E/PD and DES/DDD only	49	All	Refer to Attachment B, ALTCS E/PD Facility to Member Ratio Tables

Provider Category	Applies to	Required Provider Type	Member Population	Reporting
ALH	ALTCS E/PD and DES/DDD only	36	All	Refer to Attachment B, ALTCS E/PD Facility to Member Ratio Tables
ALH, or ALC	DES DDD only	36 or 49	All	Refer to Attachment B, DDD Facility Reporting
Group Homes	DES/DDD only	25	All	Refer to Attachment B, DDD Facility Reporting

4. The Division shall maintain a sufficient Network to meet the service needs of Members based upon the minimum Network requirements specified in Attachment B - ALTCS E/PD and DDD Facility Reporting, and as specified in Contract, Section F, Attachment F3, Contractor Chart of Deliverables and Network Oversight Requirements.
5. The Division shall complete the tab "DDD Facility Reporting" in Attachment B to report, by county:

- a. The number of ALH and ALC facilities available through its Network in each county, and
- b. The Number of Group Homes and the total number of Members residing in those Group Homes in each county.

B. Division Request for Exception to Network Standards

Process

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

C. Monitoring of AdSS Time and Distance Network Standards and Oversight Requirements

1. The Division shall require and monitor the AdSS to 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
Crisis Stabilization Facility	02, 71, B5, B6, B7, or 77 and ICs that are authorized to provide behavioral health observation/stabilization in accordance with A.A.C. 9-10-1012
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

PROVIDER CATEGORY	REQUIRED PROVIDER/SPECIALTY TYPE(S)
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), Pediatric	08 or 31 with a Specialty Code of 050, 150, or 176 or
Primary Care Provider (PCP), Pediatric	19, CN with a Specialty Code of 084, 087, or 097 or
Primary Care Provider (PCP), Pediatric	18 with a Specialty Code of 798

- The Division shall require the AdSS to utilize 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
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

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

PROVIDER CATEGORY	APPLIES TO	MEMBER POPULATION	COUNTY	STANDARD (90% of membership does not need to travel more than)
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
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 Facility (NF)	ALTCS E/PD Only	Living in Own Home	Maricopa, Pima	45 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)
Nursing Facility (NF)	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
Pharmacy	All	All	Maricopa, Pima	12 minutes or 8 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	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	Maricopa, Pima	40 minutes or 30 miles from their residence
Primary Care Provider (PCP), Adult*	All Except CHP	21 years or older	Maricopa, Pima	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)
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 Division shall, when monitoring the AdSS for compliance with Network Standards, 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 these time and distance standards in any county where telehealth services are available for the Provider category.

4. The Division shall monitor Network Standards of AdSS contracts with Multi-Specialty Interdisciplinary Clinics (MSICs) for the following requirements:
 - a. The AdSS has contracts with all MSICs in its assigned Geographic Service Area (GSA) in the state, as well as any MSICs which have provided services to the AdSS's Members; and
 - b. The AdSS submits the Minimum Network Requirements MSIC Report, Attachment C, to identify all contracted MSICs it has contracted with as an alternative delivery model submitted under the Contract, as specified in the AdSS Contract and the AdSS Contractor Chart of Deliverables.
5. 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, the Division shall monitor the AdSS to ensure the entity complies with the definitions and calculation requirements specified in this policy.

D. AdSS Request for Exception to Network Standards

Process

1. The Division shall, when the AdSS has exhausted its efforts to meet any Network Standard specified in this policy, require the AdSS to submit Attachment D, Request for Exception to Network Standards, as specified in the AdSS Contract and the AdSS Chart of Deliverables.
2. The Division shall review Network Standards exception requests submitted by the AdSS and make a determination based on the following criteria:
 - a. The total number of Providers in the same specialty practicing in the county;
 - b. The geographic composition of the county;
 - c. Provider willingness to enter into a contract;
 - d. Consideration of the rates offered to non-contracted Providers to bring the AdSS into compliance with the standard;
 - e. The availability of Indian Health Services 638 contract (IHS/638) facilities available to the American Indian population in the county;

- f. The availability of alternative service delivery mechanisms, such as telemedicine, telehealth, or virtual or mobile services;
 - g. The AdSS's proposal for monitoring and ensuring Member access; and
 - h. Any additional information requested by the Division pertaining to the Network Standards exception request.
 3. The Division shall notify the AdSS in writing if the Division denies the AdSS's Network Standards exception request, outlining the reason for the denial.
 4. The Division shall submit to AHCCCS a summary of the Network Standards exception request, if the Division agrees with the AdSS's Network Standards exception request, that includes:
 - a. The Division's review of AdSS Network Standards exception request; and
 - b. The results of the Division's analysis that supports the approval of the Network Standards exception request.
 - c. The Division shall communicate in writing the disposition from AHCCCS to the AdSS.

E. Division Oversight of AdSS Network Requirements

1. The Division shall require the AdSS to:
 - 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. 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 Division shall require the AdSS to report the requirements in Attachment A for each county in its assigned service area.
3. For the purposes of calculating and reporting the data in Attachment A, the Division shall ensure the AdSS:
 - a. Uses the AdSS's enrollment and Network as of the last day of the reporting period (September 30) and does not include non-Title XIX/XXI membership in its time and distance calculation.
 - b. Analyzes compliance with these standards based upon the Provider Network reported through the AdSS Provider Affiliation Transmission (PAT);
 - c. Reports the percentages in Attachment A, "Time and Distance" tab, rounded to the nearest tenth of a percent;
 - d. Reports "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. Reports 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. Considers in the AdSS’s dental Network any contracted FQHC identified annually by AHCCCS as providing dental services.

F. Division Network Oversight and Reporting

Requirements

1. The Division shall review, for each AdSS, the following annual deliverables against the AHCCCS reporting requirements outlined in this policy:
 - a. The submitted Minimum Network Standards Results Review; and
 - b. The submitted Minimum Network Standards Plan Review and Update.
2. The Division shall submit to AHCCCS the annual Minimum Network Standards Results Review, as specified in the AHCCCS Contract Section F, Attachment F3, Contractor Chart of Deliverables, with the following elements:
 - a. A cover letter which contains the following:

- i. Analysis of the Division’s Network of Group Homes and ALF/ALH facilities;
 - ii. Analysis of 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 for each AdSS.
 - b. A completed Attachment B.
3. The Division shall submit to AHCCCS the Minimum Network Standards Plan Review and Update, as specified in the AHCCCS Contract and the AHCCCS Chart of Deliverables that includes the following:
 - a. A cover letter which contains an analysis of the results of each AdSS’s own minimum Network reporting evaluated against the requirements of this policy and the findings of the independent review:
 - i. An update on the AdSS’s strategies and efforts to address areas of noncompliance as reported in the Minimum Network Standards Results Review;
 - ii. Additional challenges experienced in areas of non-compliance; and

- iii. An update on any data issues or discrepancies identified by the AdSS related to the independent review.
- b. A completed Attachment A for each of AdSS;
- c. A completed Attachment B; and
- d. A completed Attachment C for each AdSS.

G. Network Plan Requirements

1. The Division shall take steps to ensure the Network standards outlined in this policy are maintained.
2. The Division 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. The Division shall address in the Network plan the sufficiency of Member access to the geographic area, and assess the continued need for the exception when an exception has been granted by AHCCCS.
3. The Division shall report to AHCCCS in the Division's NDMP:
 - a. Any AdSS Network gaps; and
 - b. Short and long-term interventions to address the gap.

Signature of Managed Care Program Administrator

DDD POLICY DRAFT