

4002 CLIENT BILLING

REVISION DATE: 11/20/2019, 3/20/2019, 9/1/2014

EFFECTIVE DATE: January 1, 1996

REFERENCES: A.A.C. R6-6-18, with appeal rights as described by A.A.C. R6-6-22.

Financial Contribution

Members receiving Home and Community Based Services (HCBS) may be required to make a financial contribution to the cost of their care.

Members receiving state-funded services who have a trust, annuity, estate, or assets exceeding \$2,000 will be required to make a financial contribution for the actual cost of programs and services provided by the Division of Developmental Disabilities (Division). When billing a trust, the Division is not limited to trust income and can also bill the trust corpus.

Members who meet the financial eligibility requirements for federal Social Security Supplemental Income benefits or the financial eligibility requirements for Arizona Long Term Care Service (ALTCS) are not affected by this requirement.

Members and responsible parties affected by this financial contribution requirement may make applications to Arizona Health Care Cost Containment System (AHCCCS) for ALTCS eligibility determination. If eligible for ALTCS, the member will not receive a bill for the cost of programs and services, although a member may be billed for room and board.

Financial Contributions and Billing for Residential Services

- A. The financial contribution for a member receiving residential services is based on the total amount of income and monthly benefits the member receives. For purposes of this policy, "residential services" means room and board.
 1. The required financial contribution is a maximum of 70% of the member's income and monthly benefits the member receives, but must not exceed the actual cost of room, and board.
 2. When the member's personal savings exceeds the maximum limit allowed by the federal agency providing the monthly federal benefits, the billing amount is:
 - a. For the ALTCS member, the actual cost of room and board services until the member's personal savings drops below the maximum allowable limit
 - b. For the non-ALTCS member, the actual cost of all services, including room and board, until the member's personal savings drops below the maximum allowable limit.
- B. The Office of Accounts Receivable and Collections (OARC) will notify the financially responsible person of the amount the member must pay each month for room and board costs.

- C. The financially responsible person must pay the monthly bill or may contact the Division to request one or more of the following: a financial review, an Administrative Review, or a reduction in the amount billed based on hardship to the member.
- D. The financially responsible person must report any lump sum payments from the benefit source to the Division. The Revenue Desk must bill a portion of those funds.

Financial Review

- A. The financially responsible person may contest the figures or method used by the Division in calculating the amount, by requesting, verbally or in writing:
 - 1. An informal business review. An informal business review is conducted by the Division's Business Office and may be requested at any time 10 or more business days before the payment due date; the Division will make its best efforts to respond within 10 business days from receipt of the request. There is no right to appeal the response to an informal business review; only decisions resulting from of an Administrative Review may be appealed as described below; or
 - 2. An Administrative Review as prescribed by Arizona Administrative Code (A.A.C.) R6-6-18, with appeal rights as prescribed by A.A.C. R6-6-22. The financially responsible person may request an Administrative Review at any time within 30 days of the date payment is due by submitting a request to the Division's Office of Administrative Review.
- B. The financially responsible person may request an Administrative Review without requesting an informal business review.
- C. Any request for consideration based on the member's personal obligations or expenses must be resolved under a Hardship Reduction Request described below.

Hardship Reduction Request

- A. Any person financially responsible for the cost of care of a member may submit a *Hardship Reduction Request* to the Assistant Director. The request must be accompanied by supporting documentation as described below.
- B. Consideration for a hardship reduction will be given for any of the following expenses:
 - 1. Medicare Part D prescription drug co-payments, when submitted with proof of out-of-pocket expenses
 - 2. Amounts ordered by a court for restitution, child or spousal support, when documentation of the order is submitted
 - 3. Amounts paid for services provided by and items prescribed by a licensed health care professional, when documentation of the expenses supporting the request and denial(s) from third party payers, or other potential sources of assistance are submitted

4. Expenses for an extraordinary circumstance that affects the member's health and safety when documentation of the amount of the expense, and the effect on the member's health and safety if the expense is not incurred is submitted
 5. Cost of a prepaid burial or cremation plan when supported by documentation of the cost and the length of the payment period.
- C. The Division will review requests that include current documentation of the expenses supporting the request and will issue a written determination that:
1. Approves a temporary reduction of the billing amount for up to 12 months, or
 2. Denies the request.
- D. The financially responsible person who disagrees with the hardship determination may request an Administrative Review. This request must be received by the Division within 30 days after the date of the Division's hardship determination.
- E. The Division reserves the right to amend or rescind a reduction of costs if the member's financial circumstances change or have been misrepresented.
- F. Upon request by the Division, the financially responsible person must provide verification that the expense for which a hardship is granted has been paid.