



Preparing for Upcoming AHCCCS/DDD Changes in Home and Community Based Services

Disability Rights Arizona (DRAZ) has reviewed the changes recently announced by the Arizona Health Care Cost Containment System (AHCCCS) and Division of Developmental Disabilities (DDD) for assessment of Home and Community Based (HCBS) services, specifically Habilitation and Direct Care (attendant care, personal care, homemaker) services for individuals under 18. These policies can be found below:

- [Chapter 1620B – Needs Assessment Care Planning Standard](#)
- [Exhibit 1620-17 – Child Home and Community Based Services Needs Tool – Guidelines](#)
- [Chapter 1240A – Direct Care Services \(Attendant Care, Personal Care, and Homemaker Services\)](#)
- [Chapter 1240E – Habilitation Services](#)

Based on its review to date, DRAZ believes these changes will have negative effects on children that require these HCBS services. In many cases, children will see significant cuts to their previously approved service hours, and under these updated policies may now be ineligible for assessment based on categorical age cut-offs.

What is Happening with Habilitation and Direct Care Service Hours?

On April 24, 2025, HB2945 was signed into law. Many families may remember this as legislation that provided supplemental funding for individuals receiving services from DDD. However, this law also contained a provision stating AHCCCS will need to create a new assessment tool for HCBS services for minor children. Specifically, the law states that by October

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1, 2025, AHCCCS must adopt and implement a standardized assessment tool to determine the need for “extraordinary care” for minor children receiving HCBS services. “Extraordinary care” is those services that go beyond the care that a parent of minor child without a disability provides for their child. The law requires that the assessment tool “separate household tasks that would ordinarily be performed by a parent of a minor child who does not have a disability.”

On July 9, 2025, DDD posted its proposed policy changes and requested public comments. DDD did not post the detailed assessment tool (Exhibit 1620-17 - Child Home and Community Based Services Needs Tool) for public comment. A version of this was posted on AHCCCS’ website for public comment.

On September 4, 2025, DDD held town halls where these new changes were presented to the public. The most notable changes are how members will be assessed for Habilitation and Direct Care services. For example, for General Supervision, children under the age of 10 will no longer be assessed for hours, regardless of any tendencies to elope, or other disability-related reasons why they would need General Supervision.

What Happens on October 1, 2025

Consistent with these new policies, which take effect on October 1, 2025, if your child receives these services they will be reassessed during their next Person-Centered Service Plan (PCSP) meeting over the next quarter (between October and December 2025). Reassessment may result in a reduction of approved Habilitation or Direct Care service hours.

If your child experiences a reduction in hours that you disagree with, DDD must issue a Notice of Adverse Benefit Determination (Notice). The Notice must include information on how to appeal the decision. The child’s healthcare decisionmaker can appeal the decision and request that previously approved services be retained for the duration of the appeal process. Please note that if you lose the appeal, AHCCCS/DDD may require that you repay for the cost of those services.

Additional information about appeals can be found on [DDD’s website – Request an Appeal on an Adverse Benefit Determination](#).

Preparing for Your Child's Next PCSP Meeting

1. Review [Exhibit 1620-17 - Child Home and Community Based Services Needs Tool](#) carefully. Note which categories your child may not be assessed for due to age cut-offs under the new assessment tool. Think about what kind of support and care is currently provided to your child in those areas, and how long it takes to accomplish those tasks. Think about the impact that not having care in those areas will have on your child's health and functioning and take note of all that information for your reference and to raise during the PCSP meeting. Ask that the information you provide be documented in the meeting.
2. Review and be aware of the definition of "extraordinary care" – it is defined in these policies as "care that exceeds the range of activities that a spouse or a legally responsible parent of a minor child would ordinarily perform in the household on behalf of the ALTCS member if the member did not have a disability or chronic illness, and which is necessary to assure the health and welfare of the member." See [1240 - A – Direct Care Services \(Attendant Care, Personal Care, and Homemaker Services\)](#).
3. Review past planning documents. Are there items that are factually incorrect that the Support Coordinator may rely on, leading to a reduction of hours? Make sure the documented planning is correct, and if not, request changes.
4. Keep a list of changes since the last documented assessment.
 - Have your child's needs, including medical needs and interventions, changed?
 - Think about things like: new medical procedures or devices, medication changes
 - Are there any behavioral changes?
5. During the PCSP meeting, listen to what your child's Support Coordinator is saying and keep notes of the meeting. Equally important, pay attention to what isn't being asked. If you have information that you would like included in the Assessment, but was not mentioned by the Support Coordinator, make sure you share that information during the meeting and request that it be documented.

6. Based on the new assessment tool, Support Coordinators may have been instructed not to assess certain categories based on your child's age; if you have relevant information you want to provide related to their care needs under a category, you should request that information be documented for the record. If you believe that an exception to the age cut-off, or to a cap on time allowed, in a particular category, is required due to your child's unique disability-related needs, you can ask for a reasonable modification to the policy under Title II of the Americans with Disabilities Act. A template letter you can use to make a request is at the end of these resources. You can also tell your child's Support Coordinator: "I am requesting an exception to this policy as a reasonable modification under Title II of the Americans with Disabilities Act because my child requires these services due to these disability-related needs: [list out your child's needs in the area]."
7. Review the new PCSP for incorrect information. If you identify incorrect information, or information that is missing, request that the Support Coordinator make changes to make it accurate.

If You Receive a Notice of Adverse Benefit Determination

1. If you receive a Notice with a reduction in approved hours, review the Notice carefully, noting the regulations cited and the reasoning stated for the reduction of hours.
2. If the reduction is based on medical necessity, consider supporting any appeal with documentation of medical necessity for the services and hours required from a healthcare provider or a behavioral health specialist. The AHCCCS Medical Policy Manual states the PCSP shall include recommendations from the child's primary care physician. The documentation should be specific and not mere conclusions.

Inadequate letter of medical necessity: "I am Dr. Smith. I am John Doe's pediatrician. I have reviewed his file, and I determined that his HCBS hours should not be reduced."

A better letter of medical necessity includes:

- The provider's name and their specialty
 - The child's name and diagnosis(es)
 - The limitations the child experiences because of their diagnosis(es)
 - The specific reason(s) why a particular service (e.g., habilitation) is necessary to address the child's medical needs and limitations, and why the services should not be reduced
 - A better letter is more than statement of facts. It makes connections between the child's disability and what the goal is. Having the [HCBS Assessment Tool/Exhibit 1620-17](#) handy during the doctor's appointment is recommended.
3. Review [Exhibit 1620-17](#). If the child's services are reduced to zero, and AHCCCS does have permissible exceptions for that category of services, be sure to evaluate whether your child might qualify for an exception.
 4. Keep a folder of the important documents related to your child's care needs, such as: the Notice, current and past PCSPs, relevant communications between you and your child's Support Coordinator, letters of medical support, and any other documentation that may be helpful (medical progress reports, patient summary visits, list of medications, hospital discharge summaries, behavioral support records, school records, etc).

How to File an Appeal

1. The Notice will include important information, including the deadline to file an appeal and where to submit the appeal. ***Make note of the deadline and ensure you have all the materials, including medical documentation, ready for the appeal and submit before the deadline.***
2. We recommend requesting the appeal in writing (by mail or email), so that you retain a record of your request.
3. During the appeal process, consider providing new supporting documentation if necessary.

4. If your appeal is denied, you can request State Fair Hearing.

Additional Information & Resources

[Encircle Families – Home & Community Based Services AHCCCS Policy Update](#)

[DDD – Planning Meeting and Assessment Changes Including Parents as Paid Caregivers \(PPCG\)](#)

[DDD Town Hall Meetings – Upcoming Meetings and Recordings of Past Meetings](#)

REASONABLE MODIFICATION REQUEST UNDER TITLE II OF THE AMERICANS WITH DISABILITIES ACT

Dear Support Coordinator,

I am making a reasonable modification request under Title II of the Americans with Disabilities Act, 42 U.S.C. § 12131, *et seq.*, on behalf of my minor child [child's name], who has the following disability(ies): [list all disabilities].

My child requires the reasonable modification of an exception to the AHCCCS Medical Policy Manual Exhibit 1620-17 Child Home and Community Based Services Needs Tool – Guidelines and Assessment Tool.

[Specifically, my child needs to be assessed for the following, as a result of their unique disability-related needs associated with the task/skill, listed below:

- [Assessment task/skill – e.g., Laundry, General Supervision, etc]
 - [Describe child's disability-related needs associated with the task/skill]
- [List any other task/skill in the assessment and the corresponding description of the child's disability-related needs associated with the skill/task, as needed]]

[Specifically, my child needs to be assessed for additional time for the following, as a result of their unique disability-related needs associated with the task/skill, listed below:

- [Assessment task/skill – e.g., Laundry, General Supervision, etc]
 - [Describe child's disability-related need for additional time associated with the task/skill]
- [List any additional task/skills and the corresponding description of the child's disability-related needs for additional time associated with the task/skill as needed]]

I request that you grant this reasonable modification request and [assess my

child in those tasks/skills] [assess my child for additional time] during their next Person-Centered Service Plan meeting. I request that a copy of this letter be included in my child's record relating to the meeting.

Thank you for your assistance with this request.

Sincerely,

[Your name]