

**Arizona Department of Health Services
Division of Behavioral Health Services
PROVIDER MANUAL
Community Partnership of Southern Arizona (CPSA Edition)**

Section 3.4 **Co-payments**

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3.4.1 Introduction

Persons not covered by the Arizona Health Care Cost Containment System (AHCCCS) must contribute to the cost of behavioral health services in accordance with state law (see [A.R.S. 36-3409](#)). A co-payment is a fixed amount, which does not exceed the actual cost of services, that a person pays directly to a provider at the time covered services are rendered. For individuals who are Non-Title XIX/XXI eligible persons determined to have a Serious Mental Illness (SMI), the Arizona Department of Health Services/Division of Behavioral Health Services (ADHS/DBHS) has established a co-payment to be charged to these members for covered services. Under limited circumstances, persons who are Title XIX/XXI eligible may be assessed a co-payment in accordance with [A.A.C. R9-22-711](#).

3.4.2 References

The following citations can serve as additional resources for this content area:

- [A.R.S. 36-3409](#)
- [A.A.C. R9-20-201\(E\)\(1\) and \(2\)](#)
- [A.A.C. R9-21-202\(A\)\(8\)](#)
- [A.A.C. R9-21-208](#)
- [A.A.C. R9-21-401](#)
- [A.A.C. R9-22-711](#)
- [AHCCCS/ADHS Contract](#)
- [ADHS/RBHA Contracts](#)
- [ADHS/TRBHA IGAs](#)
- [AHCCCS Eligibility Policy Manual](#)
- [ADHS/DBHS Covered Behavioral Health Services Guide](#)
- [Section 3.3, Referral and Intake](#)
- [Section 3.5, Third Party Liability and Coordination of Benefits](#)
- [Section 3.10, SMI Eligibility Determination](#)
- [Section 3.13, Covered Behavioral Health Services](#)
- [Section 5.5, Notice and Appeal Requirements \(SMI and Non-SMI/Non-Title XIX/XXI\)](#)
- [Section 7.5, Enrollment, Disenrollment and Other Data Submission](#)
- [ADHS/DBHS Policy Clarification Memorandum: Co-payments for Methadone Treatment-April 7, 2004\)](#)

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3.4.3 Scope

To whom does this apply?

Non-Title XIX/XXI eligible persons determined to have a Serious Mental Illness (SMI) and Title XIX/XXI eligible persons who are referred to, or enrolled with, a behavioral health provider to receive publicly funded behavioral health services. Co-payment requirements in this policy are not applicable to services funded by the Substance Abuse Prevention and Treatment (SAPT), Community Mental Health Services (CMHS), or Project for Assistance in Transition from Homelessness (PATH) federal block grants.

3.4.4 Did you know...?

- Persons determined to have a Serious Mental Illness must be informed prior to the provision of services of any fees associated with the services ([R9-21-202\(A\)\(8\)](#)) and providers must document such notification to the person in his/her comprehensive clinical record.
- Individuals and families with income exceeding 100% of the Federal Poverty Level (FPL) and who have medical expenses that reduce the countable income to 40% of the FPL may be eligible for the Arizona Health Care Cost Containment System (AHCCCS) Medical Expense Deduction (MED-Spend Down) Program (see the description of [AHCCCS Health Insurance](#) programs for additional information). When a provider discovers that a behavioral health recipient is unable to make his/her co-payment due to medical expenses, providers must screen those individuals for AHCCCS eligibility. Providers can utilize the [Health-e Arizona web tool](#) to verify potential eligibility and submit behavioral health recipient's information for formal eligibility determination and screening for other public assistance programs simultaneously.
- When a person is accessing public behavioral health services, the person will be required to provide documentation to verify income and expenses (see sub-section 3.3.7-G, Eligibility Screening and Supporting Documentation of [PM Section 3.3, Referral and Intake](#)).
- Behavioral health providers must not bill, nor attempt to collect payment directly or through a collection agency from a person claiming to be AHCCCS eligible without first receiving verification from AHCCCS that the person was ineligible for AHCCCS on the date of service or that services provided were not Title XIX./XXI covered services.

3.4.5 Definitions

[Co-payment](#)

[In-network Services](#)

[Out-of-Network Services](#)

[Serious Mental Illness](#)

[Third Party Liability](#)

3.4.6 Objectives

Identify when and how providers must assess co-payments, address the collection of co-payments and address the actions to take for nonpayment of co-payments.

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3.4.7 Procedures

Co-payments must be assessed and collected consistent with state law and Arizona Administrative Code requirements.

3.4.7-A. Co-payments for Non-Title XIX/XXI eligible persons determined to have a Serious Mental Illness

Non-title XIX/XXI eligible persons determined to have a Serious Mental Illness are eligible to receive a medication-only benefit (see [ADHS/DBHS Guidelines to RBHAs and Providers for Services to Non-Title XIX Members with Serious Mental Illness](#)). Co payments assessed for non-title XIX/XXI persons determined SMI are intended to be payments by the member for the service package (e.g., psychiatric assessments, medication management, medications), but co-payments are only collected at the time of the psychiatric assessment and psychiatric follow-up appointments. Co-payments are not assessed for crisis services or collected at the time crisis services are provided. Co-payments are:

- A fixed dollar amount of \$3¹
- Applied to in-network services; and
- Collected at the time services are rendered.

Collecting Co-payments

Providers will be responsible for collecting co-payments. Providers will:

- Assess the fixed dollar amount per service received, regardless of the number of units encountered.
- Collect the \$3 co-payment at the time of the psychiatric assessment or the psychiatric follow up appointment.

Providers may take reasonable steps to collect on delinquent accounts. Behavioral health recipients who are having difficulties making co-payments must be screened for AHCCCS eligibility.

Any co-payments collected are retained by the behavioral health provider reported to ADHS/DBHS in the encounter.

Behavioral health providers are required to report the collection of co-payments on the agency's financial statements.

Other Payment Sources

If a person has third party liability coverage, T/RBHAs or their providers must follow the requirements set forth in [Section 3.5, Third Party Liability and Coordination of Benefits](#). Non-Title XIX/XXI persons determined to have SMI will pay the ADHS/DBHS co-payment or the costs required by a third party insurer, as described in PM Section 3.5, Third Party Liability and Coordination of Benefits.

Non-payment of Co-payments

¹ This co-payment covers the costs associated with the Service Package for Non-Title XIX/XXI Persons Determined to have SMI, including medications, laboratory services, psychiatric assessments, and psychiatric follow up visits.

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Behavioral health providers may not refuse to provide or terminate services when behavioral health recipients are unable to pay co-payments. The following methods may be utilized to encourage a collaborative approach to resolve non-payment issues:

- Engage in informal discussions and avoid confrontational situations;
- Re-screen the person for AHCCCS eligibility;
- Present other payment options, such as payment plans or payment deferrals, and discuss additional payment options as requested by the person; and

The collection of co-payments is an administrative process, and as such, co-payments must not be collected in conjunction with a person's behavioral health treatment. All efforts to resolve non-payment issues, as they occur, must be clearly documented in the person's comprehensive clinical record.

3.4.7-B. Co-payments for Title XIX/XXI eligible persons

Under certain conditions, a behavioral health provider may collect a co-payment from a Title XIX/ XXI eligible person.

Who is exempt from co-payments?

- There are no co-payments for Title XIX/XXI eligible behavioral health recipients under the age of 19.
- There are no co-payments for Title XIX/XXI eligible persons determined to have a Serious Mental Illness.
- There are no co-payments for individuals eligible for Medicare Cost Sharing or persons within other specific eligibility groups, as identified in R9-22-711(B)

When can co-payments be assessed to Title XIX/XXI eligible persons?

Co-payments may **only** be collected for the following Title XIX/XXI covered behavioral health services:

- Physician office visit (\$1.00 per office visit), and
- Nonemergency use of the emergency room (\$1.00 per visit).

Behavioral health providers must ensure that Title XIX/XXI eligible persons are not denied services because of their inability to pay a co-payment.

Other considerations for Title XIX and Title XXI eligible persons

T/RBHAs or their providers must follow the requirements set forth in [Section 3.5, Third Party Liability and Coordination of Benefits](#) and collect third party payments for behavioral health services that are rendered to Medicaid (Title XIX)/Medicare (Title XVIII) dually eligible persons, as applicable.