

**Arizona Department of Health Services  
Division of Behavioral Health Services  
PROVIDER MANUAL**

**Section 3.10 SMI Eligibility Determination**

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**3.10.1 Introduction**

A critical focus of the ADHS/DBHS service delivery system is the effective and efficient delivery of behavioral health services to persons who have special needs due to the serious nature of their behavioral health disorder. One such group is persons with serious mental illness (SMI). Without receipt of appropriate care, these persons are at high risk for further deterioration of their physical and mental condition, increased hospitalizations and potential homelessness and incarceration.

In order to ensure that persons with serious mental illness are provided the necessary behavioral health services, ADHS/DBHS has developed a standardized process by which T/RBHAs and their providers may readily identify persons with serious mental illness and promptly enroll them into the ADHS/DBHS behavioral health system. The requirements associated with making an SMI determination are set forth in this section.

**3.10.2 References**

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

[42 CFR 435.911](#)

[A.R.S. Title 36, Chapter 5](#)

[9 A.A.C. 21](#)

[AHCCCS/ADHS Contract](#)

[ADHS/RBHA Contract](#)

[ADHS/Gila River Health Care Corporation Intergovernmental Agreement](#)

[ADHS/Pascua Yaqui Behavioral Health Program Intergovernmental Agreement](#)

[Intake, Assessment and Service Planning Section](#)

[Disclosure of Behavioral Health Information Section](#)

[Credentialing and Privileging Section](#)

[Service Prioritization for Non-Title XIX/XXI Funding Section](#)

[Enrollment, Disenrollment, and Other Data Submission Section](#)

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[Grievance and Requests for Investigation for Persons Determined to have a Serious Mental Illness Section](#)

[Member Complaints Section](#)

[Outreach, Engagement, Re-Engagement and Closure Section](#)

[Notice Requirements and Appeal Process for Title XIX and Title XXI Eligible Persons Section](#)

[Notice and Appeal Requirements \(SMI and Non-SMI/Non-Title XIX/XXI\) Section](#)

[Co-occurring Psychiatric And Substance Disorders Practice Improvement Protocol](#)

#### 3.10.3 Scope

##### To whom does this apply?

- Persons who are referred for, request or have been determined to need an eligibility determination for serious mental illness; or
- Persons who have been determined to be seriously mentally ill and are enrolled in the ADHS/DBHS behavioral health system.

#### 3.10.4 Definitions

[Serious mental illness \(SMI\)](#)

#### 3.10.5 Objectives

The objective of this section is to ensure the prompt and accurate identification of persons with serious mental illness.

#### 3.10.6 Procedures

##### 3.10.6-A. General requirements

**[Behavioral health providers are responsible versus T/RBHA- insert language here identifying who serves in this capacity]** is responsible for identifying and conducting an SMI determination for persons who may have a serious mental illness. All persons must be evaluated by, or have their records reviewed by, a licensed psychiatrist, psychologist, or nurse practitioner designated by the T/RBHA for determination of SMI, if the person:

- Requests an SMI determination; or
- Has a score of 50 or lower on the Global Assessment of Functioning Scale (GAF) and has a qualifying SMI diagnosis (see [PM Attachment 3.10.1](#) for a list of qualifying diagnoses).

Behavioral health providers must use the GAF as a screen for identifying persons (including enrolled children upon reaching 17 years of age) who may have functional impairments indicative of a serious mental illness. The GAF is completed as part of the assessment process (see [Section 3.9, Intake, Assessment and Service Planning](#)).

All Title XIX and Title XXI eligible persons must receive all necessary Title XIX or Title XXI covered services, including case management, throughout the SMI eligibility determination process.

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#### 3.10.6-B. Criteria for SMI eligibility determination

The determination of SMI requires both a qualifying SMI diagnosis and functional impairment as a result of the qualifying diagnosis (see [PM Attachment 3.10.1](#) for a list of qualifying diagnoses).

#### Functional Criteria for SMI Determination

To meet the functional criteria for SMI, a person must have, as a result of a qualifying SMI diagnosis, dysfunction in at least one of the following four domains, as described below, for most of the past twelve months or for most of the past six months with an expected continued duration of at least six months:

- Inability to live in an independent or family setting without supervision – Neglect or disruption of ability to attend to basic needs. Needs assistance in caring for self. Unable to care for self in safe or sanitary manner. Housing, food and clothing, must be provided or arranged for by others. Unable to attend to the majority of basic needs of hygiene, grooming, nutrition, medical and dental care. Unwilling to seek prenatal care or necessary medical/dental care for serious medical or dental conditions. Refuses treatment for life threatening illnesses because of behavioral health disorder.
- A risk of serious harm to self or others – Seriously disruptive to family and/or community. Pervasively or imminently dangerous to self or others' bodily safety. Regularly engages in assaultive behavior. Has been arrested, incarcerated, hospitalized or at risk of confinement because of dangerous behavior. Persistently neglectful or abusive towards others in the person's care. Severe disruption of daily life due to frequent thoughts of death, suicide, or self-harm, often with behavioral intent and/or plan. Affective disruption causes significant damage to the person's education, livelihood, career, or personal relationships.
- Dysfunction in role performance – Frequently disruptive or in trouble at work or at school. Frequently terminated from work or suspended/expelled from school. Major disruption of role functioning. Requires structured or supervised work or school setting. Performance significantly below expectation for cognitive/developmental level. Unable to work, attend school, or meet other developmentally appropriate responsibilities; or
- Risk of Deterioration – A qualifying diagnosis with probable chronic, relapsing and remitting course. Co-morbidities (like mental retardation, substance dependence, personality disorders, etc.). Persistent or chronic factors such as social isolation, poverty, extreme chronic stressors (life-threatening or debilitating medical illnesses, victimization, etc.). Other (past psychiatric history; gains in functioning have not solidified or are a result of current compliance only; court-committed; care is complicated and requires multiple providers; etc.).

The following reasons shall not be sufficient in and of themselves for denial of SMI eligibility:

- An inability to obtain existing records or information; or
- Lack of a face-to-face psychiatric or psychological evaluation.

#### Person with Co-occurring Substance Abuse

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For persons with co-occurring substance abuse without an established psychiatric diagnosis, the diagnostic assessment may be performed in accordance with the [Co-occurring Psychiatric And Substance Disorders Practice Improvement Protocol](#).

For persons who have a qualifying SMI diagnosis and co-occurring substance abuse, for purposes of SMI determination, presumption of functional impairment is as follows:

- For psychotic diagnoses (bipolar I disorder with psychotic features, delusional disorder, major depression, recurrent, severe, with psychotic features, schizophrenia, schizoaffective disorder and psychotic disorder NOS) functional impairment is presumed to be due to the qualifying psychiatric diagnosis;
- For other major mental disorders (bipolar disorders, major depression and obsessive compulsive disorder), functional impairment is presumed to be due to the psychiatric diagnosis, unless:
  - The severity, frequency, duration or characteristics of symptoms contributing to the functional impairment cannot be attributed to the qualifying mental health diagnosis, or;
  - The assessor can demonstrate, based on a historical or prospective period of treatment, that the functional impairment is present only when the person is abusing substances or experiencing symptoms of withdrawal from substances.
- For all other mental disorders not covered above, functional impairment is presumed to be due to the co-occurring substance use unless:
  - The symptoms contributing to the functional impairment cannot be attributed to the substance abuse disorder (see [PM Attachment 3.10.2, Substance Use/Psychiatric Symptomatology Table](#)<sup>1</sup>); or
  - The functional impairment is present during a period of cessation of the co-occurring substance use of at least 30 days; or
  - The functional impairment is present during a period of reduced use unlikely to cause the symptoms or level of dysfunction of at least 90 days.

#### Re-enrollment or Transfer

If the person's status is SMI at disenrollment or upon transfer from another T/RBHA, the person's status shall continue as SMI upon re-enrollment or transfer.

#### **3.10.6-C. Process for completion of SMI eligibility determination**

Upon receipt of a referral for, a request, or identification of the need for an SMI determination, **[a behavioral health provider or T/RBHA insert language here identifying who is serving in this capacity]** shall schedule an appointment for an initial meeting with the person and a

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<sup>1</sup> The psychiatric symptomatology table is a guideline only and is not to be used as a substitute for professional clinical judgment.

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qualified assessor (see [Section 3.20, Credentialing and Privileging](#)). This shall occur no later than 7 days after receiving the request or referral.

During the initial meeting with the person by a qualified assessor, the assessor must:

- Make a clinical assessment whether the person is competent enough to participate in an assessment;
- Obtain general consent from the person or, if applicable, the person's guardian to conduct an assessment;
- Provide to the person and, if applicable, the person's guardian, the information required in R9-21-301(D)(2), a client rights brochure, and the appeal notice required by R9-21-401(B); and
- If, during the initial meeting with the person, the assessor is unable to obtain sufficient information to determine whether the applicant is SMI, the assessor must:
  - Request the additional information in order to make a determination of whether the person is SMI and obtain an authorization for the release of information, if applicable (see [Section 4.1, Disclosure of Behavioral Health Information](#)); and
  - Initiate an assessment including completion of the Serious Mentally Ill Determination Addendum (see [PM Form 3.9.1](#)) that is part of the standardized ADHS/DBHS assessment tool.

The licensed psychiatrist, psychologist, or nurse practitioner designated by the T/RBHA must make a final determination as to whether the person meets the eligibility requirements for SMI status based on:

- Conducting a face-to-face assessment or reviewing a face-to-face assessment by a qualified assessor (see [Section 3.20, Credentialing and Privileging](#)); and
- A review of current and historical information, if any, obtained orally or in writing by the assessor from collateral sources, and/or present or previous treating clinicians.

If the designated reviewing psychiatrist, psychologist, or nurse practitioner has not conducted a face-to-face assessment and has a disagreement with:

- The current evaluating or treating qualified behavioral health professional or behavioral health technician regarding the diagnosis that cannot be resolved by oral or written communication, determination that the person does not meet eligibility requirements for SMI status must be based on a face to face diagnostic evaluation conducted by a designated psychiatrist, psychologist, or nurse practitioner. The resolution of (*specific reasons for*) the disagreement shall be documented in the person's comprehensive clinical record.
- The current evaluating or treating qualified behavioral health professional or behavioral health technician regarding functional impairment that will result in a determination that the

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person does not meet eligibility requirements for SMI status that cannot be resolved by oral or written communications. Determination that the person does not meet eligibility requirements must be based upon a face-to-face functional evaluation conducted by a designated psychiatrist, psychologist, or nurse practitioner. The psychiatrist, psychologist, or nurse practitioner shall document the specific reason(s) for the disagreement in the person's comprehensive clinical record.

If there is sufficient information to determine SMI status, the person shall be provided written notice of the SMI eligibility determination within three business days of the initial meeting with the qualified assessor in accordance with Subsection 3.10.6-E. below.

#### **3.10.6-D. Issues preventing timely completion of SMI eligibility determination**

The time to initiate or complete the SMI eligibility determination may be extended no more than 20 days if the person agrees to the extension and:

- There is substantial difficulty in scheduling a meeting at which all necessary participants can attend;
- The person fails to keep an appointment for assessment, evaluation or any other necessary meeting (see [Section 3.8, Outreach, Engagement, Re-Engagement and Closure](#));
- The person is capable of, but temporarily refuses to cooperate in the preparation of the completion of an assessment or evaluation;
- The person or the person's guardian and/or designated representative requests an extension of time;
- Additional documentation has been requested, but has not yet been received; or
- There is insufficient functional or diagnostic information<sup>2</sup> to determine SMI eligibility within the required time periods.

The T/RBHA or their designee must:

- Document the reasons for the delay in the person's comprehensive clinical record when there is an administrative or other emergency that will delay the determination of SMI status; and
- Not use the delay as a waiting period before determining SMI status or as a reason for determining that the person does not meet the criteria for SMI eligibility (because the determination was not made within the time standards).

In situations in which the extension is due to insufficient information:

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<sup>2</sup> Insufficient diagnostic information shall be understood to mean that the information available to the reviewer is suggestive of two or more equally likely working diagnoses, only one of which qualifies as SMI, and an additional piece of existing historical information or a face-to-face psychiatric evaluation is likely to support one diagnosis more than the other(s).

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- The T/RBHA or responsible provider shall request and obtain the additional documentation needed (e.g., current and/or past medical records) and/or perform or obtain any necessary psychiatric or psychological evaluations;
- The designated reviewing psychiatrist, psychologist, or nurse practitioner must communicate with the person's current treating practitioner, if any, prior to the determination of SMI, if there is insufficient information to determine the person's level of functioning; and
- SMI eligibility must be determined within three days of obtaining sufficient information.

If the person refuses to grant an extension, SMI eligibility must be determined based on the available information. If SMI eligibility is denied, the person will be notified of his/her appeal rights and the option to reapply (see subsection 3.10.6-E. below).

If the evaluation or information cannot be obtained within the required time period because of the need for a period of observation or abstinence from substance use in order to establish a qualifying mental health diagnosis, (in accordance with [PM Attachment 3.10.2, Substance Use/Psychiatric Symptomatology Table](#)), the person shall be notified that the determination may, with the agreement of the person, be extended for up to 90 (calendar) days.<sup>3</sup>

#### **3.10.6-E. Notification of SMI eligibility determination**

A determination of SMI status must be reported to the person in writing, including notice of his/her right to appeal the decision (see [Section 5.5, Notice and Appeal Requirements \(SMI and Non-SMI/Non-Title XIX/XXI\)](#)).

If the eligibility determination results in a denial of SMI status, the T/RBHA shall notify the person in writing of:

- The reason for denial of SMI eligibility (see [PM Form 3.10.1, SMI Determination](#));
- The right to appeal (see [Section 5.1, Notice Requirements and Appeal Process for Title XIX and Title XXI Eligible Persons](#), and [Section 5.5, Notice and Appeal Requirements \(SMI and Non-SMI/Non-Title XIX/XXI\)](#)); and
- The statement that Title XIX/XXI eligible persons will continue to receive needed Title XIX/XXI covered services. In such cases, the person's behavioral health category assignment must be assigned based on criteria in [Section 7.5, Enrollment, Disenrollment and Other Data Submission](#).

#### **3.10.6-F. Review of SMI eligibility determination**

The T/RBHA or a behavioral health provider may:

- Institute a periodic review of all persons determined to have a serious mental illness; and

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<sup>3</sup> This extension may be considered a technical re-application to ensure compliance with the intent of Rule. However, the person does not need to actually reapply. Alternatively, the determination process may be suspended and a new application initiated upon receipt of necessary information.

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- Re-evaluate in three to six months a person's SMI status if the person has a qualifying diagnosis and has met the functional criteria for risk of serious harm to self or others.

If as a result of such review, the person is determined to no longer meet the diagnosis and functional requirements for SMI status, the T/RBHA must ensure that:

- Services are continued depending on Title XIX/XXI eligibility, T/RBHA service priorities and any other requirements described in [Section 3.21, Service Prioritization for Non-Title XIX/XXI Funding](#).
- Written notice of the reason for adverse determination and the right to appeal are provided to the affected person (see subsection 3.10.6-E above).