

APA-1

TRANSMITTAL SHEET FOR NOTICE OF INTENDED ACTION

Control: 560
Department or Agency: Alabama Medicaid Agency
Rule No.: 560-X-35-.15
Rule Title: Application Process
Intended Action: Amend

Would the absence of the proposed rule significantly harm or endanger the public health, welfare, or safety? No

Is there a reasonable relationship between the state's police power and the protection of the public health, safety, or welfare? Yes

Is there another, less restrictive method of regulation available that could adequately protect the public? No

Does the proposed rule have the effect of directly or indirectly increasing the costs of any goods or services involved? No

To what degree?: N/A

Is the increase in cost more harmful to the public than the harm that might result from the absence of the proposed rule? No

Are all facets of the rule-making process designed solely for the purpose of, and so they have, as their primary effect, the protection of the public? Yes

Does the proposed action relate to or affect in any manner any litigation which the agency is a party to concerning the subject matter of the proposed rule? No

Does the proposed rule have an economic impact? No

If the proposed rule has an economic impact, the proposed rule is required to be accompanied by a fiscal note prepared in accordance with subsection (f) of Section 41-22-23, Code of Alabama 1975.

Certification of Authorized Official

I certify that the attached proposed rule has been proposed in full compliance with the requirements of Chapter 22, Title 41, Code of Alabama 1975, and that it conforms to all applicable filing requirements of the Administrative Procedure Division of the Legislative Services Agency.

Signature of certifying officer

Timothy "Bo" A. Offord, Jr.
Timothy Offord

Date

Friday, March 20, 2026

REC'D & FILED
MAR 20, 2026
LEGISLATIVE SVC AGENCY

ALABAMA MEDICAID AGENCY

NOTICE OF INTENDED ACTION

AGENCY NAME: Alabama Medicaid Agency

RULE NO. & TITLE: 560-X-35-.15 Application Process

INTENDED ACTION: Amend

SUBSTANCE OF PROPOSED ACTION:

The above referenced rule is being amended to align with the changes implemented within the HCBS Intellectual Disabilities (ID) waiver renewal effective October 1, 2025, as approved by CMS.

TIME, PLACE AND MANNER OF PRESENTING VIEWS:

Written or oral comments may be submitted to the Alabama Medicaid Agency, 501 Dexter Avenue, Post Office Box 5624, Montgomery, Alabama 36103-5624. Agency business hours are 8:00 a.m. to 5:00 p.m. Monday through Friday.

FINAL DATE FOR COMMENT AND COMPLETION OF NOTICE:

Tuesday, May 5, 2026

CONTACT PERSON AT AGENCY:

Administrative Secretary
Alabama Medicaid Agency
501 Dexter Avenue
Post Office Box 5624
Montgomery, Alabama 36103-5624
Phone: (334) 353-3399

Timothy "Bo" A. Offord, Jr.

Timothy Offord

(Signature of officer authorized
to promulgate and adopt
rules or his or her deputy)

Application Process.

(1) The Alabama Medicaid Agency will provide the operating agency with the approved level of care determination process.

(2) The operating agency will review the applicant's eligibility status to determine if the applicant is medically and financially eligible for waiver services. The targeted case manager will assist the recipient to make financial application and ensure that the appropriate documents are completed and routed to the appropriate Medicaid District Office.

(3) All recipients who are applying for an HCBS waiver who are financially approved by the Department of Human Resources or are under the age of 65 and have not been determined disabled must have a disability determination made by the Medical Review team of the Alabama Medicaid Agency.

(4) If a disability determination has been made, the Regional Office should complete a slot confirmation form (Form 376).

(5) The Qualified ~~Intellectual Developmental~~ Disabilities Professional ~~(QIDP)~~ (QDDP) will complete the level of care determination and the plan of care development.

(6) The operating agency will be required to adhere to all federal and state guidelines in the determination of the level of care approval.

(7) During the assessment, it must be determined that "without waiver services the client is at risk of institutionalization."

(8) The operating agency or its designee (case manager), will ensure that the applicant has been screened and assessed to determine if the services provided through the ID Waiver will meet the applicant's needs in the community.

(9) The Alabama Department of Mental Health (ADMH) is responsible for the assessment, evaluation of admissions, readmissions, and annual redeterminations for eligible participants receiving home and community-based services in accordance with the provisions of the Home and Community-Based Waiver for Persons with Intellectual Disabilities.

(10) The Alabama Medicaid Agency will provide to the ADMH the approved Level of Care criteria and policies and procedures governing the level of care determination process.

(11) The ADMH will designate a qualified medical professional to approve the level of care and develop the Plan of Care.

(12) ADMH may utilize Medicaid staff for consultation on questionable admissions and annual redeterminations prior to a final decision being rendered.

(13) The Alabama Medicaid Agency will conduct a retrospective review on a monthly basis of a random sample of individuals served under the Home and Community Based Waiver for Persons with Intellectual Disabilities to determine appropriate admissions and annual redeterminations. This review includes whether appropriate documentation is present and maintained and whether all state and federal medical necessity and eligibility requirements for the program are met. The LTC Waiver Quality Improvement Unit conducts a random sample of plans of care and related documents annually.

(14) The Alabama Medicaid Agency will initiate recoupment of payment for services when it determines that state and federal, medical necessity, and eligibility requirements are not met.

(15) The Alabama Medicaid Agency may seek recoupment from ADMH for other services reimbursed by Medicaid for those individuals whom Medicaid determines would not have been eligible for the Home and Community-Based Waiver for Persons with Intellectual Disabilities or Medicaid eligibility but for the certification of waiver eligibility by ADMH.

(16) The operating agency or its designee will develop a plan of care that includes waiver as well as non-waiver services.

(17) Upon receipt of the financial award letter from the Alabama Medicaid Agency, the LTC Admissions Notification Form should be completed and forwarded to Medicaid's Fiscal Agent electronically. Medicaid's Fiscal Agent will either accept or reject the transmission of the LTC Admissions Notification Form. The operating agency or its designee will receive notice of the status of applications transmitted the next business day following the transmission.

(18) If Medicaid's Fiscal Agent accepts the transmission, the information is automatically written to the Long-Term Care file. The operating agency or its designee can begin rendering services and billing the Alabama Medicaid Agency for services rendered.

(19) If Medicaid's Fiscal Agent rejects the transmission, the operating agency or its designee must determine the reason for the rejection and retransmit the LTC Admissions Notification Form.

(20) Neither the Alabama Medicaid Agency nor Medicaid's Fiscal Agent will send out the LTC-2 Notification letters. The record of

successful transmission will be your record of "approval" to begin rendering service.

(21) For applications where the level of care is questionable, you may submit the applications to the LTC Medical and Quality Review Unit for review by a nurse and/or a Medicaid physician.

(22) Once the individual's information has been added to the Long-Term Care File, changes can only be made by authorized Medicaid staff.

Author: ~~Samantha McLeod~~ [Riyyah James](#), Associate Director, ~~LTC~~ Specialized Waiver ~~Programs~~ [Unit, LTC Healthcare Reform Development Division](#)

Statutory Authority: 42 C.F.R. Section 441, Subpart G and the Home and Community-Based Waiver for Persons with Mental Retardation.

History: New Rule: Filed December 9, 1996; effective January 14, 1997. **Repealed and New Rule:** Filed July 14, 2003; effective August 18, 2003. **Amended:** Filed December 10, 2004; effective January 14, 2005. **Amended:** Filed January 11, 2008; effective February 15, 2008. **Amended:** Filed June 12, 2012; effective July 17, 2012. **Amended:** Filed July 12, 2017; effective August 26, 2017. [Amended: Published _____ ; effective _____ .](#)