

**CERTIFICATION OF ADMINISTRATIVE RULES
FILED WITH THE LEGISLATIVE SERVICES AGENCY
OTHNI LATHRAM, DIRECTOR**

(Pursuant to Code of Alabama 1975, §41-22-6, as amended).

I certify that the attached is/are correct copy/copies of rule/s as promulgated and adopted on Wednesday, May 13, 2026, and filed with the agency secretary on Tuesday, May 19, 2026.

AGENCY NAME: Alabama Medicaid Agency

INTENDED ACTION: Amend

RULE NO.: 560-X-35-.15

(If amended rule, give specific paragraph, subparagraphs, etc., being amended) **560-X-35-.15**

RULE TITLE: Application Process

ACTION TAKEN: State whether the rule was adopted with or without changes from the proposal due to written or oral comments:

Adopted without changes

NOTICE OF INTENDED ACTION PUBLISHED IN VOLUME XLIV, ISSUE NO. 6, AAM,
DATED TUESDAY, MARCH 31, 2026.

STATUTORY RULEMAKING AUTHORITY:

Section 1915(c) Social Security Act;
42 C.F.R. Section 441, Subpart G; and
the Home and Community-Based Waiver
for Persons with Intellectual
Disabilities.

REC'D & FILED
(Date Filed)
(For LRS Use Only)
MAY 19, 2026
LEGISLATIVE SVC AGENCY

Timothy "Bo" A. Offord, Jr.

Timothy Offord

Certifying Officer or his or her
Deputy

(NOTE: In accordance with §41-22-6(b), as amended, a proposed rule is required to be certified within 90 days after completion of the notice.)

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 Developmental Disabilities Professional (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: Riyyah James, Associate Director, Specialized Waiver 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 May 29, 2026; effective July 13, 2026.