801 East Jefferson, Phoenix, AZ 85034 PO Box 25520, Phoenix, AZ 85002 Phone: 602-417-4000 www.azahcccs.gov



Our first care is your health care ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM

December 20, 2013

Cheryl Young Centers for Medicare and Medicaid Services 75 Hawthorne St., 5th Floor San Francisco, California 94105

Dear Ms. Young:

Enclosed is State Plan Amendment (SPA) 13-017C, effective October 1, 2013, which continues reimbursement rates for other providers during the period October 1, 2013 to September 30, 2014.

If you have any questions about the enclosed SPA, please contact Theresa Gonzales at (602) 417-4732.

Sincerely,

Monica Coury Assistant Director Office of Intergovernmental Relations

Cc: Jessica Schubel Mark Wong

| CENTERS FOR MEDICARE AND MEDICAID SERVICES | | FORM APPROVED OMB NO. 0938-0193 |
|--|---|------------------------------------|
| TRANSMITTAL AND NOTICE OF APPROVAL OF | 1. TRANSMITTAL NUMBER: | 2. STATE |
| STATE PLAN MATERIAL | 13-017B | Arizona |
| FOR: Centers for Medicare and Medicaid Services | 3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID) | |
| TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE AND MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES 5. TYPE OF PLAN MATERIAL (Check One): | 4. PROPOSED EFFECTIVE DATE October 1, 2013 | |
| □ NEW STATE PLAN □ AMENDMENT TO BE CONSIDERED AS NEW PLAN ⊠ AMENDMENT | | |
| COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AME | | amendment) |
| 6. FEDERAL STATUTE/REGULATION CITATION: 42 CFR 447, Subpart C | 7. FEDERAL BUDGET IMPACT: \$ (2,404,400) | |
| 8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Page 1(a) of Attachment 4.19-B | 9. PAGE NUMBER OF THE SUPERS OR ATTACHMENT (If Applicable): | |
| | N/A | |
| 10. SUBJECT OF AMENDMENT: | | |
| Continues current outpatient hospital reimbursement rates for the period October 1, 2013 to September 30, 2014. | | |
| 11. GOVERNOR'S REVIEW (Check One): GOVERNOR'S OFFICE REPORTED NO COMMENT COMMENTS OF GOVERNOR'S OFFICE ENCLOSED NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL | ⊠ OTHER, AS SPEC | IFIED: |
| 12. SIGNATURE OF STATE AGENCY OFFICIAL: | 16. RETURN TO: | |
| Maria | Monica Coury 801 E. Jefferson, MD#4200 | |
| 13. TYPED NAME: | Phoenix, Arizona 85034 | |
| Monica Coury | | |
| 14. TITLE: | | |
| Assistant Director 15. DATE SUBMITTED: | - | |
| December 20, 2013 | | |
| FOR REGIONAL OFFICE USE ONLY | | |
| 17. DATE RECEIVED: | 18. DATE APPROVED: | |
| | | |
| PLAN APPROVED – ON | | |
| 19. EFFECTIVE DATE OF APPROVED MATERIAL: | 20. SIGNATURE OF REGIONAL OFF | FICIAL: |
| 21. TYPED NAME: | 22. TITLE: | |
| 23. REMARKS: | | |

Attachment 4.19-B Page 1(a)

State: ARIZONA METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES OTHER TYPES OF CARE

5% Rate Reduction

Notwithstanding the methods and rates as otherwise described, for claims with dates of service between April 1, 2011 and September 30, 2011, all payments for outpatient hospital services will be reduced by 5% of the payment that would otherwise have been made under the methodology in effect as of October 1, 2010, as described above.

For claims with dates of service effective from October 1, 2011 to September 30, 20143, all payments for outpatient hospital services will be reduced by 5% under the methodology in effect as of October 1, 2011.

Payments for services provided by the Indian Health Service or Tribal 638 Health facilities are not subject to this 5% rate reduction.