

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
San Francisco Regional Office  
90 Seventh Street, Suite 5-300 (5W)  
San Francisco, CA 94103-6706



**DIVISION OF MEDICAID & CHILDREN'S HEALTH OPERATIONS**

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December 16, 2014

Tom Betlach, Director  
Arizona Health Care Cost Containment System  
801 East Jefferson Street  
Phoenix, AZ 85034

Dear Mr. Betlach:

We have reviewed the proposed State Plan Amendment (SPA) 14-004, which was submitted to the Centers for Medicare & Medicaid Services San Francisco Regional Office on February 20, 2014. This SPA expands the physical therapy benefit for individuals over age 21 by adding a separate set of 15 visits per contract year to attain or maintain a skill or function, for a total of 30 physical therapy visits per contract year. Adding these 15 physical therapy visits for attaining or maintaining a skill or function aligns the State Plan with Arizona's Alternative Benefit Plan.

Based on the information provided, we are approving SPA 14-004 with an effective date of January 1, 2014. We are enclosing the approved Form CMS-179 and the following Medicaid state plan page:

- Attachment 3.1-A Limitations, page 8

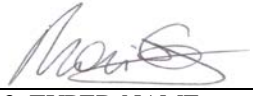
If you have any additional questions or need further assistance, please contact Cheryl Young at (415) 744-3598 or [cheryl.young@cms.hhs.gov](mailto:cheryl.young@cms.hhs.gov).

Sincerely,

/s/

Hye Sun Lee  
Acting Associate Regional Administrator  
Division of Medicaid & Children's Health Operations

cc: Wakina Scott  
HeeYoung Ansell

<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL</b>  <b>FOR: Centers for Medicare and Medicaid Services</b>		1. TRANSMITTAL NUMBER: 14-004	2. STATE Arizona
		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		4. PROPOSED EFFECTIVE DATE January 1, 2014	
5. TYPE OF PLAN MATERIAL ( <i>Check One</i> ):  <input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT ( <i>Separate Transmittal for each amendment</i> )			
6. FEDERAL STATUTE/REGULATION CITATION: Section 1905(a) of the Social Security Act <u>42 CFR 440.110(a)</u>		7. FEDERAL BUDGET IMPACT: FFY 2014: <u>\$0</u> FFY 2015: <u>\$0</u>	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:  Attachment 3.1-A, Limitations, pages 8		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT ( <i>If Applicable</i> ):  <u>Attachment 3.1-A, Limitations, page 8</u>	
10. SUBJECT OF AMENDMENT:  Revises the State Plan to reflect updates to therapies covered under the State Plan.			
11. GOVERNOR'S REVIEW ( <i>Check One</i> ): <input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input checked="" type="checkbox"/> OTHER, AS SPECIFIED: <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL			
12. SIGNATURE OF STATE AGENCY OFFICIAL:  	16. RETURN TO:  Monica Coury 801 E. Jefferson, MD#4200 Phoenix, Arizona 85034		
13. TYPED NAME: Monica Coury			
14. TITLE: Assistant Director			
15. DATE SUBMITTED: February 20, 2014			
<b>FOR REGIONAL OFFICE USE ONLY</b>			
17. DATE RECEIVED: February 20, 2014	18. DATE APPROVED: December 16, 2014		
PLAN APPROVED – ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: January 1, 2014	20. SIGNATURE OF REGIONAL OFFICIAL: /s/		
21. TYPED NAME: Hye Sun Lee	22. TITLE: Acting Assistant Regional Administrator Division of Medicaid & Children's Health Operations		
23. REMARKS: Box 6: Added regulatory citation to cover physical therapy services per AZ RAI response dated 9/17/14. Box 7: Added "\$0" to FFY14-15 per AZ RAI response dated 9/17/14. Box 8: Deleted "s" in "pages" since only one page is affected per AZ RAI response dated 9/17/14 Box 9: Added Attachment per AZ RAI response dated 9/17/14.			

Behavioral health services provided in a clinic include individual, group and/or family counseling/therapy, psychotropic medications, psychotropic medication adjustment and monitoring, emergency/crisis services, behavior management, psychosocial rehabilitation, screening, evaluation and diagnosis, case management services, laboratory and radiology services. The duration, scope and frequency of each therapeutic modality shall be part of a treatment plan.

Screening services are limited to no more than one service during each six-month period of continuous behavioral health enrollment.

**10. Dental services.**

Dental services are limited to (1) the elimination of oral infections and the treatment of oral disease, which includes dental cleanings, treatment of periodontal disease, medically necessary extractions and the provision of simple restorations as a medically necessary pre-requisite to organ transplantation, and (2) prophylactic extraction of teeth in preparation for radiation treatment of cancer of the jaw, neck or head.

**11. Physical therapy and related services.**

Physical therapies and related services as described in 11a, 11b and 11c for persons 21 years of age and older when a treatment plan demonstrates potential to prevent deterioration, or to assist an individual to maintain or regain a skill or function, or attain a skill or function never learned or acquired, or acquired and then lost or impaired, due to illness, injury or disabling condition. The duration, scope and frequency of each therapeutic modality must be prescribed by and documented in the treatment plan. Assessment, evaluation, and treatment services are included as part of this benefit.

Therapies and related services for persons under the age of 21 are covered without limitation. Providers meet the applicable requirements at 42 CFR 440.110.

**11a. Physical therapy.**

Physical therapy services are provided to prevent or alleviate movement dysfunction and related functional problems. For individuals over the age of 21, out-patient physical therapy is limited to 15 visits per contract year to restore an individual to a particular skill or function and 15 visits per contract year to assist an individual to maintain a skill or function, or attain a skill or function never learned or acquired. A "visit" is defined as all physical therapy services received on the same day.

Physical therapy services are provided by: 1) State-licensed physical therapists; and 2) state-licensed physical therapy assistants under the direction of State-licensed physical therapists. In addition, physical therapy services must and meet the requirements in 42 CFR 440.110.

**11b. Occupational therapy.**

Occupational Therapy services are provided to improve, or restore functions impaired or lost through illness or injury. Services for adults over the age of 21 are limited to occupational therapy services provided in an inpatient setting. Members enrolled in the ALTCS program receive services provided under the 1115 Waiver.

Occupational Therapy services are provided by: 1) State-licensed occupational therapists; and 2) certified occupational therapy assistants under the direction of State-licensed occupational therapists and meet the requirements in 42 CFR 440.110.