



Center for Medicaid, CHIP and Survey & Certification
Children and Adults Health Programs Group

SEP 29 2011

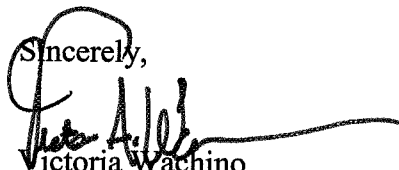
Mr. Thomas Betlach
Director
Arizona Health Care Cost Containment System
801 East Jefferson Street
Phoenix, AZ 85034

Dear Mr. Betlach:

Thank you for your September 29, 2011, letter regarding an extension of Arizona's section 1115 Demonstration, Arizona Health Care Cost Containment System (AHCCCS) (Project # 11-W-00032/09 and 21-W-00009/09). You requested that your current Demonstration, which the State requested to terminate on September 30, 2011, be extended through October 14, 2011.

With this letter, the Centers for Medicare & Medicaid Services (CMS) is approving your request to temporarily extend the AHCCCS Demonstration which is currently operating under section 1115(a) of the Social Security Act. During the period of the extension, all Medicaid or Children's Health Insurance Program requirements will continue to apply to the Demonstration, except as specifically waived or identified as not applicable in the lists of waiver and expenditure authorities that were in effect for the prior period, and the State will continue to be subject to the Special Terms and Conditions in effect for that period, with budget neutrality requirements and limits adjusted solely to account for the extension through October 14, 2011.

We look forward to working with you and your staff as we continue to work with Arizona on its new section 1115 Demonstration.

Sincerely,

Victoria Wachino
Director

Janice K. Brewer, Governor
Thomas J. Betlach, Director

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

September 29, 2011

Secretary Kathleen Sebelius
Department of Health & Human Services
200 Independence Avenue, S.W.
Washington, D.C. 20201

Re: Extension Request for Arizona's Section 1115 Waiver

Dear Secretary Sebelius:

Arizona's Section 1115 Research and Demonstration Waiver is set to expire on September 30, 2011. While the State requested to terminate this Demonstration on March 31, 2011, the State would like CMS to consider temporarily extending the current Demonstration until October 14, 2011. This brief extension period will allow the State and CMS to resolve outstanding issues needed for transitioning to the new section 1115 Demonstration. The staff from AHCCCS and CMS has been working diligently and resolution on these issues is expected soon.

Thank you for your consideration and continued partnership.

Sincerely,

A handwritten signature in black ink, appearing to read 'T. Betlach', is written over a faint, light-colored signature line.

Thomas J. Betlach
Director