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

February 13, 2018

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) 17-009, which was submitted to the Centers for Medicare & Medicaid Services (CMS) San Francisco Regional Office on December 7, 2017. This SPA revises the provisions concerning deductions from the posteligibility share of cost calculation.

Based on the information provided, we are approving SPA 17-009 with an effective date of April 1, 2018 as requested. We are enclosing the approved Form CMS-179 and the following Medicaid State Plan page:

• Supplement 3 to Attachment 2.6-A, Page 1

If you have any additional questions or need further assistance, please contact Brian Zolynas at (415) 744-3601 or Brian.Zolynas@cms.hhs.gov.

Sincerely,

/s/

Henrietta Sam-Louie Associate Regional Administrator Division of Medicaid & Children's Health Operations

Enclosure:

cc: Jessica Woodard Annie Hollis

TRANSMITTAL AND NOTICE OF APPROVAL OF	1. TRANSMITTAL NUMBER:	2. STATE
STATE PLAN MATERIAL	17-009	Arizona
FOR: Centers for Medicare and Medicaid Services	3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR	4. PROPOSED EFFECTIVE DATE	
CENTERS FOR MEDICARE AND MEDICAID SERVICES	April 1, 2018	
DEPARTMENT OF HEALTH AND HUMAN SERVICES		
5. TYPE OF PLAN MATERIAL (Check One):		
□ NEW STATE PLAN □ AMENDMENT TO BE CONSIDERED AS NEW PLAN □ AMENDMENT COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)		
6. FEDERAL STATUTE/REGULATION CITATION:	7. FEDERAL BUDGET IMPACT:	amenament)
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42 CFR Part 447	FFY 18: \$0 FFY 19: \$0	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable):	
SUPPLEMENT 3 TO ATTACHMENT 2.6 A Page 1	Same	
10. SUBJECT OF AMENDMENT:		
Updates the State Plan to make changes to the share of cost deduction by expanding the list of services eligible for a share of cost deduction and adding an reasonable restriction on the period in which the expense occurred		
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		
12. SIGNATURE OF STATE AGENCY OFFICIAL:	16. RETURN TO:	
13 Poly	Elizabeth Lorenz 801 E. Jefferson, MD#4200 Phoenix, Arizona 85034	
13. TYPED NAME:		
Elizabeth Lorenz	<u> </u>	
14. TITLE: Assistant Director		
15. DATE SUBMITTED:	-	
12/7/17		
FOR REGIONAL OFFICE USE ONLY		
17. DATE RECEIVED:	18. DATE APPROVED: February 13, 2018	
December 7, 2017 February 13, 2018 PLAN APPROVED – ONE COPY ATTACHED		
19. EFFECTIVE DATE OF APPROVED MATERIAL: April 1, 2018	20. SIGNATURE OF REGIONAL OF	FICIAL:
21. TYPED NAME: Henrietta Sam-Louie	22. TITLE: Associate Regional Administrator Division of Medicaid and Children's Health Operations	
23. REMARKS:	2.1. Don't invalous use Children	- 2 - 2 - 2 - 2 - 2 - 2 - 2 - 2 - 2 - 2

Effective Date: <u>04/01/2018</u>

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: <u>ARIZONA</u>

REASONABLE LIMITS ON AMOUNTS FOR NECESSARY MEDICAL OR REMEDIAL CARE NOT COVERED UNDER MEDICAID

To be considered as a deduction from the share of cost income, the expense can be a type of care not covered under the State Plan or a type of service that is covered under the State Plan but that is not reimbursed by the State.

The expense must be for a medically necessary service or remedial care service rendered to the applicant or beneficiary and prescribed by a health care practitioner acting within the scope of practice as defined by State law. The applicant or recipient must have or have had a legal obligation to pay the medical or remedial expense. Deductions do not include the cost of services to the extent a third party paid for or is liable for the service. Deductions for expenses incurred prior to application are limited to expenses incurred during the three months prior to the filing of an application.

Documentation of expenses paid by the applicant or recipient must be provided to the State prior to the end of the month following the month during which the expense was paid.

With respect to services of a type covered under the State Plan but not reimbursed by the State, the amount of the deduction is limited to the amount of the reimbursement described in the State Plan. With respect to services of a type not covered under the State Plan, the amount of the deduction is the fair market value of the services provided.

The deduction for medical and remedial care expenses that were incurred as the result of imposition of a transfer of assets penalty period is limited to zero.

Approval Date: February 13, 2018

TN No. 17-009 Supersedes

TN No. <u>06-002</u>