

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

March 8, 2018

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

Dear Mr. Betlach:

In our approval of Arizona State Plan Amendment (SPA) 17-016 on February 22, 2018, the footer on Attachment 4.19-B, page 1(a) incorrectly referenced SPA 16-012b as the superseded SPA. The correct superseded SPA should have been 17-013. We have revised Attachment 4.19-B, page 1(a) accordingly and have enclosed the revised page. No other change was made, and no other SPA pages were affected. The original SPA approval date of February 22, 2018 and effective date of October 1, 2017 remain the same.

If you have any questions, please have your staff contact Brian Zolynas at (415) 744-3601 or at brian.zolynas@cms.hhs.gov.

Sincerely,

/s/

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

Enclosure: Revised Attachment 4.19-B, page 1(a)

cc: Jessica Woodard, CMCS
Annie Hollis, CMCS

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

See Supplement 2 to Attachment 4.19-B for differential adjusted payments for Integrated Clinics and Physicians, Physician Assistants, and Registered Nurse Practitioners, and outpatient hospitals and sub-acute behavioral health residential treatment facilities.

Rate Updates

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, 2015, all payments for outpatient hospital services will be reduced by 5% under the methodology in effect as of October 1, 2011. For claims with dates of service effective October 1, 2015 to September 30, 2016, all payments for outpatient hospital services will be made using the methodology in effect as of September 30, 2015 resulting in a year to year 0% aggregate impact on Outpatient Hospital Rates. For claims with dates of service effective on or after October 1, 2016, outpatient hospital services will be made according to the AHCCCS fee schedule located on the AHCCCS website at:

<https://www.azahcccs.gov/PlansProviders/RatesAndBilling/FFS/>

These fees were updated October 1, 2016 for a 0% aggregate impact.