

August 5, 2021

Brian Zolynas  
Division of Medicaid and Children's Health Operations  
U.S. Department of Health & Human Services  
Centers for Medicare & Medicaid Services  
90 Seventh Street, Suite 5-300 (5W)  
San Francisco, CA 94103-6707

**RE: Arizona SPA #21-007, COVID-19 Vaccine Administration Rate Update**

Dear Mr. Zolynas:


Enclosed is State Plan Amendment (SPA) #21-007, Vaccine Administration Rate Update. This SPA updates the rate for administration of the COVID-19 vaccine, effective August 9, 2021. Due to the critical need for and the time sensitive nature of this request, the State is formally requesting an expedited review and approval of the attached SPA pages.

If there are any questions about the enclosed SPA, please contact Ruben Soliz at [ruben.soliz@azahcccs.gov](mailto:ruben.soliz@azahcccs.gov) or 602-417-4355.

Sincerely,



Dana Flannery  
Assistant Director  
Arizona Health Care Cost Containment System (AHCCCS)

|   |  |  |                     |
|---|--|--|---------------------|
| <b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL</b>  |  | 1. TRANSMITTAL NUMBER:<br>TN No. 21-007  | 2. STATE<br>Arizona |
| <b>FOR: Centers for Medicare and Medicaid Services</b>  |  | 3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)                                   |                     |
| TO: REGIONAL ADMINISTRATOR<br>CENTERS FOR MEDICARE AND MEDICAID SERVICES<br>DEPARTMENT OF HEALTH AND HUMAN SERVICES   |  | 4. PROPOSED EFFECTIVE DATE<br><br>August 9, 2021   |                     |
| 5. TYPE OF PLAN MATERIAL ( <i>Check One</i> ):<br><br><input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> Amendment<br>COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT ( <i>Separate Transmittal for each amendment</i> ) |  |  |                     |
| 6. FEDERAL STATUTE/REGULATION CITATION:<br>42 CFR Part 447  |  | 7. FEDERAL BUDGET IMPACT:<br>\$0 to federal Fee for Service costs in CYE 21 and CYE 22                       |                     |
| 8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:<br><br>Page 90, 91, 96  |  | 9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT ( <i>If Applicable</i> ):<br><br>Page 90, 91, 96 |                     |
| 10. SUBJECT OF AMENDMENT:<br>The COVID-19 vaccine administration rate is \$83 per dose for two-dose vaccines and \$83 to administer single-dose vaccines.   |  |  |                     |
| 11. GOVERNOR'S REVIEW ( <i>Check One</i> ):<br><input checked="" type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input type="checkbox"/> OTHER, AS SPECIFIED:<br><input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED<br><input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL |  |  |                     |
| 12. SIGNATURE OF STATE AGENCY OFFICIAL:<br><br>   |  | 16. RETURN TO:<br><br>Dana Flannery<br>801 E. Jefferson, MD#4200<br>Phoenix, Arizona 85034                   |                     |
| 13. TYPED NAME:<br>Dana Flannery  |  |  |                     |
| 14. TITLE:<br>Assistant Director  |  |  |                     |
| 15. DATE SUBMITTED:<br>August 5, 2021   |  |  |                     |
| <b>FOR REGIONAL OFFICE USE ONLY</b>   |  |  |                     |
| 17. DATE RECEIVED:  |  | 18. DATE APPROVED:   |                     |
| PLAN APPROVED – ONE COPY ATTACHED   |  |  |                     |
| 19. EFFECTIVE DATE OF APPROVED MATERIAL:  |  | 20. SIGNATURE OF REGIONAL OFFICIAL:  |                     |
| 21. TYPED NAME:   |  | 22. TITLE:   |                     |
| 23. REMARKS:  |  |  |                     |

**Section 7 – General Provisions**  
**7.4. Medicaid Disaster Relief for the COVID-19 National Emergency**

On March 13, 2020, the President of the United States issued a proclamation that the COVID-19 outbreak in the United States constitutes a national emergency by the authorities vested in him by the Constitution and the laws of the United States, including sections 201 and 301 of the National Emergencies Act (50 U.S.C. 1601 et seq.), and consistent with section 1135 of the Social Security Act (Act). On March 13, 2020, pursuant to section 1135(b) of the Act, the Secretary of the United States Department of Health and Human Services invoked his authority to waive or modify certain requirements of titles XVIII, XIX, and XXI of the Act as a result of the consequences COVID-19 pandemic, to the extent necessary, as determined by the Centers for Medicare & Medicaid Services (CMS), to ensure that sufficient health care items and services are available to meet the needs of individuals enrolled in the respective programs and to ensure that health care providers that furnish such items and services in good faith, but are unable to comply with one or more of such requirements as a result of the COVID-19 pandemic, may be reimbursed for such items and services and exempted from sanctions for such noncompliance, absent any determination of fraud or abuse. This authority took effect as of 6PM Eastern Standard Time on March 15, 2020, with a retroactive effective date of March 1, 2020. The emergency period will terminate, and waivers will no longer be available, upon termination of the public health emergency, including any extensions.

The State Medicaid agency (agency) seeks to implement the policies and procedures described below, which are different than the policies and procedures otherwise applied under the Medicaid state plan, during the period of the Presidential and Secretarial emergency declarations related to the COVID-19 outbreak (or any renewals thereof), or for any shorter period described below:

N/A

*The flexibilities described in this SPA shall be implemented throughout the duration of the Presidential and Secretarial emergency declarations related to the COVID-19 outbreak (or any renewals thereof).*

The effective date for the SPA is ~~February 22, 2021~~ August 9, 2021

NOTE: States may not elect a period longer than the Presidential or Secretarial emergency declaration (or any renewal thereof). States may not propose changes on this template that restrict or limit payment, services, or eligibility, or otherwise burden beneficiaries and providers.

**Request for Waivers under Section 1135**

XX The agency seeks the following under section 1135(b)(1)(C) and/or section 1135(b)(5) of the Act:

- a. \_\_\_\_\_ SPA submission requirements – the agency requests modification of the requirement to submit the SPA by March 31, 2020, to obtain a SPA effective date during the first calendar quarter of 2020, pursuant to 42 CFR 430.20.

TN:21-~~007004~~

Approval Date: \_\_\_\_\_

Supersedes TN: 21-0044  
~~2/228/9/2021~~

Effective Date: \_\_\_\_\_

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- b. XX Public notice requirements – the agency requests waiver of public notice requirements that would otherwise be applicable to this SPA submission. These requirements may include those specified in 42 CFR 440.386 (Alternative Benefit Plans), 42 CFR 447.57(c) (premiums and cost sharing), and 42 CFR 447.205 (public notice of changes in statewide methods and standards for setting payment rates).
- c. XX Tribal consultation requirements – the agency requests modification of tribal consultation timelines specified in [Arizona] Medicaid state plan, as described below:

*Current state plan language provides for an expedited Tribal Consultation process in situations that require immediate submission of a policy change to CMS. However, the current language details the Agency soliciting written comment “in the meeting notification with a description of the policy change and the date when the change will be submitted to CMS” at least 14 days prior to submission to CMS. While the Agency will hold an emergency Tribal Consultation meeting to discuss these policy changes, AHCCCS was not able to meet this 14 day requirement prior to submission to CMS, and are thus seeking relevant flexibility.*

**Section A – Eligibility**

1. \_\_\_\_\_ The agency furnishes medical assistance to the following optional groups of individuals described in section 1902(a)(10)(A)(ii) or 1902(a)(10)(c) of the Act. This may include the new optional group described at section 1902(a)(10)(A)(ii)(XXIII) and 1902(ss) of the Act providing coverage for uninsured individuals.
2. \_\_\_\_\_ The agency furnishes medical assistance to the following populations of individuals described in section 1902(a)(10)(A)(ii)(XX) of the Act and 42 CFR 435.218:
  - a. \_\_\_\_\_ All individuals who are described in section 1905(a)(10)(A)(ii)(XX)
 

Income standard: \_\_\_\_\_

-or-
  - b. \_\_\_\_\_ Individuals described in the following categorical populations in section 1905(a) of the Act:

Income standard: \_\_\_\_\_

TN:21-~~004-007~~-

Supersedes TN:21-0041  
~~2/22/21~~ 8/9/2021

Approval Date:

- Effective Date:

3.  The agency applies less restrictive financial methodologies to individuals excepted from financial methodologies based on modified adjusted gross income (MAGI) as follows.

Less restrictive income methodologies:

Location (list published location):

<https://www.azahcccs.gov/PlansProviders/RatesAndBilling/FFS> (Physician fee schedule and Hospital Outpatient Fee Schedule (OPFS).)

a.  Other:

*Describe methodology here.*

*Increases to state plan payment methodologies:*

2.  The agency increases payment rates for the following services:

~~1) In cases where vaccine administration is separately reimbursable at a fee amount, payment for administration of COVID-19 immunizations is made at the rates established by Medicare. COVID-19 vaccine administration will be paid at 100% of the national Medicare equivalent rates in effect at the time that the service is provided, without any geographic adjustment.~~

~~1) In cases where vaccine administration is separately reimbursable at a fee amount, payment for administration of COVID-19 vaccinations is set at \$83 per dose for two-dose vaccines and \$83 to administer single-dose vaccines.~~

2) The Administration shall reimburse IHS/638 facilities non-FQHC clinics at the outpatient all-inclusive rate (AIR) for COVID-19 vaccine administration by registered nurses under an individual or standing order.

3) Payment for the Non-Emergency Medical Transportation (NEMT) services billable under HCPCS T2007 will be increased by \$8.64 per unit for trips associated with a COVID-19 drive-through vaccination site. A COVID-19 drive-through vaccination site is any site at which an AHCCCS member arrives in vehicle and receives the COVID-19 vaccination without exiting the vehicle. The total payment for HCPCS T2007 will be \$13.23 per unit when the TU modifier, denoting time spent at the COVID-19 drive-through vaccine site, is used.

a.  Payment increases are targeted based on the following criteria:

*Please describe criteria.*

b. Payments are increased through:

i.  A supplemental payment or add-on within applicable upper payment limits:

*Please describe.*

ii.  An increase to rates as described below.

TN:21-~~004-007~~-

Approval Date:

Supersedes TN:21-0041

- Effective Date:

~~2/22/21~~ 8/9/2021

State/Territory: Arizona

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Rates are increased:

Uniformly by the following percentage: \_\_\_\_\_

Through a modification to published fee schedules –

Effective date (enter date of change): \_\_\_\_\_

Location (list published location): \_\_\_\_\_

Up to the Medicare payments for equivalent services.

By the following factors:

TN: 21-0074  
Supersedes: 21-001  
8/9/2021

Approval Date: \_\_\_\_\_  
– Effective Date: ~~2/22/21~~