

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
7500 Security Boulevard, Mail Stop S2-26-12  
Baltimore, Maryland 21244-1850



Center for Medicaid, CHIP and Survey & Certification  
Disabled and Elderly Health Programs Group (DEHPG)

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MAR 29 2011

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

Dear Mr. Betlach:

We have received Arizona's *letter of request* for a health homes planning opportunity in the amount of \$500,000. The State proposes to use this Title XIX funding to support State health home planning efforts at the State's pre-Recovery Act medical assistance service match rate for the following activities:

- Hire consultant/s to determine feasibility and overall coordination of planning for a health home program
- Engage in outreach for stakeholder input
- Provide training and consultation for designing components of the SPA
- Conduct IT infrastructure analysis
- Travel to accomplish the above activities

We are pleased to approve this planning request, effective as of the date of this letter, in the amount of \$500,000. Arizona must report its approved planning activities and subsequent expenditures on a separate expenditure line on the CMS-64.10. In accordance with section 1945(c)(3)(B) of the Act, this line has been programmed with each State's pre-Recovery Act medical assistance services matching rate.

You are also required to submit changes to your Cost Allocation Plans (CAP) to accommodate your health home planning activities. You may draw down the federal match for planning activities before updating the CAP, as long as it is amended in a timely manner.

Sincerely,

Barbara Coulter Edwards  
Director

cc: Gloria Nagle, CMS Region IX  
Chris Kessler, FMG  
Mary Pat Farkas, DIHS  
Nancy Kirchner, DLTS