DEPARTMENT OF HEALTH & HUMAN SERVICES Centers for Medicare & Medicaid Services 7500 Security Boulevard, Mail Stop S2-01-16 Baltimore, Maryland 21244-1850

State Demonstrations Group



SEP 3 0 2015

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

Dear Mr. Betlach:

This letter is to inform you that the Centers for Medicare & Medicaid Services (CMS) has received Arizona's request to amend Attachment C to the Special Terms and Conditions for Arizona's Health Care Cost Containment system (AHCCCS) section 1115 demonstration (Project No. 11-W-00275/09 and 21-W-00064/9). The changes to the demonstration's attachment are effective September 30, 2015.

CMS agrees and accepts Arizona's revisions to the Disproportionate Share Hospital (DSH) Payment Methodology to modify payment pool qualification and priority for DSH program year ending 2015.

Attached to this letter is the amended Attachment C (AHCCCS Disproportionate Share Hospital Program) that includes relevant changes to effectuate the state's request. If you have any questions regarding this letter, or other questions regarding the AHCCCS 1115 demonstration, please do not hesitate to contact your project officer, Ms. Jessica Woodard at (410) 786-9249 or Jessica.Woodard@cms.hhs.gov.

We look forward to continuing to partner with you and your staff on the AHCCCS demonstration.

Sincerely,

Eliot Fishman Director

Enclosure

cc: Henrietta Sam-Louis, Acting Associate Regional Administrator, CMS San Francisco