August 29, 2014

Wakina Scott

Division of State Demonstrations & Waivers

Center for Medicaid and CHIP Services

Centers for Medicare & Medicaid Services (CMS)

7500 Security Boulevard, Mail Stop S2-01-16

Baltimore, MD 21244-1850

**Re: Independent Evaluation and Request for Extension of the Uncompensated Care Payments to Indian Health Services and Tribally Owned or Operated 638 Facilities**

Dear Ms. Scott:

Pursuant to Special Terms and Conditions (STC) 28(e), the State submitted an independent evaluation for the uncompensated care payments to Indian Health Services (IHS) and Tribally Owned or Operated 638 Facilities (“638 Facilities”) on July 1, 2014. The report and survey responses submitted by IHS and 638 Facilities were independently evaluated by the Advisory Council on Indian Health Care.

The evaluative analysis and report reviewed the efficacy and impact of supplemental payments to IHS and 638 Facilities for services provided by those facilities to AHCCCS members that are no longer covered under the State Plan. The report clearly demonstrates the critical role these payments have made in supporting IHS and 638 Facilities to maintain needed services and staff to meet the needs of Medicaid beneficiaries. These payments have supported IHS and 638 Facilities to maintain their role and fulfill the unique trust responsibility to provide health care services to Arizona’s American Indian/Alaska Native population. The analysis clearly articulates the ongoing need for this payment program.

**Accordingly, the State hereby submits this formal request to extend uncompensated care payments to IHS and 638 Facilities pursuant to STC 26 for one additional year, through December 31, 2015.** Because this is an extension of an existing STC, no change to budget neutrality or to the evaluation is needed.

This amendment request was discussed during the July 9, 2014 meeting of the State Medicaid Advisory Committee, a public meeting.[[1]](#footnote-1) The amendment has also been raised in tribal consultation numerous times, most recently on June 12, 2014 and April 17, 2014.[[2]](#footnote-2) Finally, the amendment is posted on the AHCCCS website.[[3]](#footnote-3)

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Please do not hesitate to contact me should you require additional information.

Sincerely,

/s/

Monica H. Coury

Assistant Director

Office of Intergovernmental Relations

Attachment: *2014 Performance Measures Evaluation:*

*Payments to Indian Health Services and 638 Tribal Facilities*

1. See: <http://www.azahcccs.gov/community/Downloads/SMAC/agendas/SMACMaterialsJuly92014.pdf> [↑](#footnote-ref-1)
2. See: <http://www.azahcccs.gov/tribal/consultations/meetings.aspx> [↑](#footnote-ref-2)
3. See <http://www.azahcccs.gov/reporting/federal/waiver.aspx> [↑](#footnote-ref-3)