

January 20, 2015

Kathy Peckardt
Interim Director
Arizona Department of Administration
100 North 15th Avenue
Phoenix, Arizona 85007

Dear Ms. Peckardt:

On October 10, 2014 the Arizona Department of Administration (ADOA) issued approval of AHCCCS' request to extend contract YH12-0001 for the Arizona Long Term Care System (ALTCS) program. ADOA approval was contingent upon subsequent public proceedings and evaluation of stakeholder input. AHCCCS has since held a public meeting and reviewed the resulting feedback.

Public Proceedings

AHCCCS held a public meeting on December 8, 2014 in order to obtain stakeholder input regarding the proposed extension. Additionally, written comments were accepted through January 7, 2015. Notification of the forum and the process for comment submittal were made available on the AHCCCS website. No negative comments were received.

ALTCS EPD Contractors (Bridgeway Health Solutions, Mercy Care Plan, and UnitedHealthcare Community Plan) as well as the Arizona Health Care Association submitted written comments for consideration. These comments indicate support of the proposal and convey agreement that extension of the ALTCS program contract is in the best interest of the population served.

Submitted comments are available on the AHCCCS website at the following link:
<http://www.azahcccs.gov/publicnotices/ALTCSepd1YearContractExtension.aspx>

As previously communicated to ADOA, the additional year will provide more clarity around outstanding programmatic variables facing the ALTCS program; including, Arizona's 1115 waiver renewal and federal law/regulatory changes. AHCCCS continues to maintain its assertion that extending contract YH12-0001 for the ALTCS program is advantageous to the State.

AHCCCS respectfully requests ADOA review the information provided and issue an endorsement for AHCCCS to move forward with an additional one-year extension of the contract YH12-0001 for the ALTCS program.

Sincerely,



Thomas J. Betlach
Director