

January 8, 2018

Ms. Jessica Woodard Project Officer Centers for Medicare & Medicaid Services Center for Medicaid & CHIP Services 7500 Security Boulevard, Mail Stop S2-01-16 Baltimore, MD 21244-1850

RE: Arizona's 1115 Waiver Amendment: Phoenix Children's Hospital (PCH) Safety Net Care Pool (SNCP) Technical Amendment Acceptance Letter

Dear Ms. Woodard:

This letter serves as the State of Arizona's formal acceptance of the Special Terms and Conditions for the amendment to the Section 1115 Waiver Demonstration project entitled, "Arizona Health Care Cost Containment System (AHCCCS)" (No. 11-W-00275/09), as set forth in CMS' approval letter dated December 29, 2017.

This approval allows Arizona to claim federal financial participation (FFP) for payments to Phoenix Children's Hospital (PCH) made after December 31, 2017, that are based on uncompensated care costs incurred by PCH during calendar year 2017, to the extent that aggregate payments based on uncompensated care for calendar year 2017 do not exceed \$90 million (total computable).

We appreciate our continued partnership over the course of this demonstration. If you have any questions please contact Elizabeth Lorenz (Elizabeth.Lorenz@azahcccs.gov).

Sincerely,

Thomas J. Betlach

Director

cc: Andrea Cassart, CMS

Bryan Zolynas, CMS