

December 7, 2017

Brian Zolynas
Division of Medicaid and Children's Health Operations
U.S. Department of Health & Human Services
Centers for Medicare & Medicaid Services
90 Seventh Street, Suite 5-300 (5W)
San Francisco, CA 94103-6707

RE: Arizona SPA #17-009, Share of Cost

Dear Mr. Zolynas:

Enclosed is State Plan Amendment (SPA) #17-009, Share of Cost, which revises the State Plan to expand the services eligible for share of cost deductions and create a reasonable limitation on the time period in which such expenses can be incurred, effective April 1, 2018.

If you have any questions about the enclosed SPA, please contact Kyle Sawyer at (602) 417-4211.

Sincerely,



Elizabeth Lorenz
Assistant Director
Arizona Health Care Cost Containment System (AHCCCS)

cc: Jessica Woodard, CMS
Mark Wong, CMS

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL		1. TRANSMITTAL NUMBER: 17-009	2. STATE Arizona
FOR: Centers for Medicare and Medicaid Services		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE AND MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE April 1, 2018	
5. TYPE OF PLAN MATERIAL (<i>Check One</i>):			
<input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT			
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (<i>Separate Transmittal for each amendment</i>)			
6. FEDERAL STATUTE/REGULATION CITATION: 42 CFR Part 447		7. FEDERAL BUDGET IMPACT: FFY 18: \$0 FFY 19: \$0	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: SUPPLEMENT 3 TO ATTACHMENT 2.6 A Page 1		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (<i>If Applicable</i>): Same	
10. SUBJECT OF AMENDMENT: Updates the State Plan to make changes to the share of cost deduction by expanding the list of services eligible for a share of cost deduction and adding a reasonable restriction on the period in which the expense occurred			
11. GOVERNOR'S REVIEW (<i>Check One</i>):			
<input checked="" type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input type="checkbox"/> OTHER, AS SPECIFIED: <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL			
12. SIGNATURE OF STATE AGENCY OFFICIAL: 		16. RETURN TO: Elizabeth Lorenz 801 E. Jefferson, MD#4200 Phoenix, Arizona 85034	
13. TYPED NAME: Elizabeth Lorenz			
14. TITLE: Assistant Director			
15. DATE SUBMITTED: 12/7/17			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED:		18. DATE APPROVED:	
PLAN APPROVED – ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL:		20. SIGNATURE OF REGIONAL OFFICIAL:	
21. TYPED NAME:		22. TITLE:	
23. REMARKS:			

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: ARIZONA

REASONABLE LIMITS ON AMOUNTS FOR NECESSARY MEDICAL
OR REMEDIAL CARE NOT COVERED UNDER MEDICAID

To be considered as a deduction from the share of cost income, the expense ~~must can~~ be ~~for~~ a type of care ~~which is recognized under State law but not covered under the Title XIX State Plan or a type of service that is covered under the State Plan but that is not reimbursed by the State.~~

The expense must be for a medically necessary service or remedial care service rendered to the applicant or beneficiary and prescribed by a physician-health care practitioner acting within the scope of practice as defined by State law. and incurred solely by the applicant or recipient. The applicant or recipient must have or have had a legal obligation to pay the medical or remedial expense. Deductions do not include the cost of services to the extent a third party paid for or is liable for the service, and there must be no liable third party. Such services and care do not include covered services and care which were not authorized by the applicant's or recipient's AHCCCS health plan or ALTCS program contractor, nor does it include services and care received during periods of ineligibility for long term care coverage. Deductions for expenses incurred prior to application are limited to ~~The expenses must have been incurred within~~ during the three months prior to the filing of an application.

Documentation of expenses incurred prior to the filing of an application must be provided to the State at the time of application. Documentation of expenses incurred after an application must be provided to the State in the month following the month during which the expense was incurred.

With respect to services of a type covered under the State Plan but not reimbursed by the State, the amount of the deduction is limited to the amount of the reimbursement described in the State Plan. With respect to services of a type not covered under the State Plan, the amount of the deduction is the fair market value of the services provided.

~~The expense is allowed only when one of the following conditions are met:~~

- ~~1. The expense represents a current payment, by the individual, of an allowed non-covered medical or remedial expense, and the expense has not previously been allowed as a share of cost deduction. A current payment is a payment made and reported to AHCCCS during the application period or a payment reported to AHCCCS no later than the end of the month following the month in which the payment occurred.~~
- ~~2. The expense represents the unpaid balance of an allowed non-covered medical or remedial expense and the expense has not previously been allowed as a share of cost deduction.~~

~~The No~~ deduction for medical and remedial care expenses is allowed for expenses that were incurred during a period of ineligibility as the resulting from the ~~of~~ imposition of a transfer of assets penalty ~~period is limited to zero.~~

TN No. 17-00906-002
Supersedes
04/01/18
TN No. 06-00298-06

Approval Date _____ Effective Date __-