September 30, 2020

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 #20-020, Vaccination Rate Increase

Dear Mr. Zolynas:

Enclosed is State Plan Amendment (SPA) #20-020, Vaccination Rate Increase, which updates the State Plan to detail updates to fee schedules reflective of a 10% increase for vaccine and vaccine administration related codes, effective September 1, 2020. Please utilize the following links for information regarding Tribal Consultation and public notice requirements:

Tribal Consultation:

- https://www.azahcccs.gov/AmericanIndians/Downloads/Consultations/Meetings/2020/08132020_QuarterlyTribalConsultation.pdf
- https://www.azahcccs.gov/AmericanIndians/TribalConsultation/meetings.html

Public Notice:

- https://www.azahcccs.gov/AHCCCS/Downloads/PublicNotices/rates/FluVaccinePublicNotice.pdf
- https://www.azahcccs.gov/AHCCCS/Downloads/PublicNotices/rates/FluVaccinePublicNoticeFinal.pdf

If you have any questions about the enclosed SPA, please contact Alex Demyan at (602) 417-4130.

Sincerely,

Dana Flannery
Assistant Director
Arizona Health Care Cost Containment System (AHCCCS)

cc: Mark Wong, CMS

DEPARTMENT OF HEALTH AND HUMAN SERVICES
CENTERS FOR MEDICARE AND MEDICAID SERVICES

FORM APPROVED
OMB NO. 0938-0193

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL **FOR: Centers for Medicare and Medicaid Services**	1. TRANSMITTAL NUMBER: 20-020	2. STATE Arizona
	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 September 1, 2020	

5. TYPE OF PLAN MATERIAL *(Check One)*:

☐ NEW STATE PLAN ☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN ☒ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT *(Separate Transmittal for each amendment)*

6. FEDERAL STATUTE/REGULATION CITATION: 42 CFR Part 447	7. FEDERAL BUDGET IMPACT: FFY 2020: $108,700 FFY 2021: $108,700
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Page 66b, 96	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT *(If Applicable)*: Page 66b, 96

10. SUBJECT OF AMENDMENT:

Updates the State Plan to reflect a rate increase for vaccination and vaccination administration codes, and to change the VFC administration rate.

11. GOVERNOR'S REVIEW *(Check One)*:

☒ GOVERNOR'S OFFICE REPORTED NO COMMENT
☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL
☐ OTHER, AS SPECIFIED:

12. SIGNATURE OF STATE AGENCY OFFICIAL: 	16. RETURN TO: Dana Flannery 801 E. Jefferson, MD#4200 Phoenix, Arizona 85034
13. TYPED NAME: Dana Flannery	
14. TITLE: Assistant Director	
15. DATE SUBMITTED: September 30, 2020	

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:	

INSTRUCTIONS FOR COMPLETING FORM CMS-179

Use Form CMS-179 to transmit State plan material to the regional office for approval. A separate typed transmittal form should be completed for each plan/amendment submitted.

Block 1 -Transmittal Number - Enter the State Plan Amendment transmittal number. Assign consecutive numbers on a **calendar year** basis (e.g., 92-001, 92-002, etc.).

Block 2 - State -Type the name of the State submitting the plan material.

Block 3 - Program Identification -Title XIX of the Social Security Act (Medicaid).

Block 4 - Proposed Effective Date - Enter the proposed effective date of material.

Block 5 -Type of Plan Material - Check the appropriate box.

Block 6 - Federal Statute/Regulation Citation - Enter the appropriate statutory/regulatory citation.

Block 7 - Federal Budget Impact - 7(a) - Enter 1st **Federal Fiscal Year** (FFY) impacted by the SPA & estimated Federal share of the cost of the SPA (in thousands) for 1st FFY. **7(b)** - Enter 2nd FFY impacted by the SPA & estimated Federal share of the cost for 2nd FFY. See SMM section 13026.

Block 8 - Page No.(s) of Plan Section or Attachment - Enter the page number(s) of plan material transmitted. If additional space is needed, use bond paper.

Block 9 - Page No.(s) of the Superseded Plan Section or Attachment (if Applicable) - Enter the page number(s) (including the transmittal sheet number) that is being superseded. If additional space is needed, use bond paper.

Block 10 - Subject of Amendment - Briefly describe plan material being transmitted.

Block 11 - Governor's Review - Check the appropriate box. See SMM section 13026 B.

Block 12 - Signature of State Agency Official -Authorized State official signs this block.

Block 13 -Typed Name -Type name of State official who signed block 12.

Block 14 -Title -Type title of State official who signed block 12.

Block 15 - Date Submitted - Enter the date you mail plan material to RO.

Block 16 - Return To -Type the name and address of State official to whom this form should be returned.

Block 17–23 (FOR REGIONAL OFFICE USE ONLY).

Block 17 - Date Received - Enter the date plan material is received in RO. See ROM section 6003.2.

Block 18 - Date Approved - Enter the date RO approved the plan material.

Block 19 - Effective Date of Approved Material - Enter the date the plan material becomes effective. If more than one effective date, list each provision and its effective date in Block 23 or attach a sheet.

Block 20 - Signature of Regional Official -Approving RO official signs this block.

Block 21 -Typed Name -Type approving official's name.

Block 22 -Title -Type approving official's title.

Block 23 - Remarks - Use this block to reference pen and ink changes, a partial approval, more than one effective date, etc. If additional space is needed, use bond paper.

Revision: HCFA-PM-94-8 (MB)
OCTOBER 1994

State/Territory: ARIZONA

Citation

4.19 (m) Medicaid Reimbursement for Administration of Vaccines Under the Pediatric Immunization Program

1928(c)(2)(C)(ii) of The Act

(i) A provider may impose a charge for the administration of a qualified pediatric vaccine as stated in 1928(c)(20)(C)(ii) of the Act. Within this overall provision, Medicaid reimbursement to providers will be administered as follows.

(ii) The State:

~~X~~ sets a payment rate at the level of the regional maximum established by the DHHS Secretary.

____ is a Universal Purchase State and sets a payment rate at the level of the regional maximum established in accordance with State law.

X sets a payment rate below the level of the regional maximum established by the DHHS Secretary.

____ is a Universal Purchase State and sets a payment rate below the level of the regional maximum established by the Universal Purchase State.

1926 of the Act

(iii) Medicaid beneficiary access to immunizations is assured through the following methodology:

~~*The maximum rate for the administration of a vaccine is $15.43.~~

Location (list published location): _____

a. ____ Other:

Describe methodology here.

Increases to state plan payment methodologies:

1. _X____ The agency increases payment rates for the following services:

Effective for dates of service September 1, 2020 through September 30, 2020, AHCCCS is implementing a 10% rate increase for in office vaccination codes, and administration codes related to influenza.

a. _____ Payment increases are targeted based on the following criteria:

Please describe criteria.

b. Payments are increased through:

i. ____ A supplemental payment or add-on within applicable upper payment limits:

Please describe.

ii. __X__ An increase to rates as described below.

Rates are increased:

_____ Uniformly by the following percentage: _____

___X__ Through a modification to published fee schedules –

Effective date (enter date of change): _____9/1/2020_____

Location (list published location): ____
https://www.azahcccs.gov/PlansProviders/RatesAndBilling/FFS/_____

_____ Up to the Medicare payments for equivalent services.

_____ By the following factors: