

October 13, 2023

Mark Wong
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 # AZ-23-0018, Rapid Whole Genome Sequencing (RWGS)

Dear Mr. Wong:

Enclosed is State Plan Amendment (SPA) # AZ-23-0018, Rapid Whole Genome Sequencing (RWGS). This SPA establishes a payment methodology for rapid whole genome sequencing (RWGS), effective October 30, 2023.

Tribal Consultation on this SPA occurred on August 29, 2023. The Tribal Consultation presentation is available on the following webpage:


https://www.azahcccs.gov/AmericanIndians/Downloads/Consultations/Meetings/2023/08292023QuarterlyTC_Presentation.pdf.

Public Notice for this SPA was posted on the following webpages:

[https://www.azahcccs.gov/AHCCCS/Downloads/PublicNotices/RapidWholeGenomeSequencing\(RWGS\).pdf](https://www.azahcccs.gov/AHCCCS/Downloads/PublicNotices/RapidWholeGenomeSequencing(RWGS).pdf)

If there are any questions about the enclosed SPA, please contact Ruben Soliz at ruben.soliz@azahcccs.gov or 602-417-4355.

Sincerely,



Alex Demyan
Assistant Director
Arizona Health Care Cost Containment System (AHCCCS)

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER 23 — 0018	2. STATE AZ
3. PROGRAM IDENTIFICATION: TITLE 19 OF THE SOCIAL SECURITY ACT	

TO: CENTER DIRECTOR CENTERS FOR MEDICAID & CHIP SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES	4. PROPOSED EFFECTIVE DATE 10/30/23
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5. FEDERAL STATUTE/REGULATION CITATION 42 CFR Part 447	6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars) a. FFY 24 \$ 114,115 b. FFY: 25 \$ 114,115
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7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT Attachment 4.19-A Page 27(a)	8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable) N/A
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9. SUBJECT OF AMENDMENT
This State Plan Amendment establishes a payment methodology for rapid whole genome sequencing (RWGS).

10. GOVERNOR'S REVIEW (Check One)

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

11. SIGNATURE OF STATE AGENCY OFFICIAL 	15. RETURN TO Alex Demyan 801 E. Jefferson St., MD #4200 Phoenix, AZ 85034
12. TYPED NAME Alex Demyan	
13. TITLE Assistant Director	
14. DATE SUBMITTED: 10/13/23	

FOR CMS USE ONLY

16. DATE RECEIVED	17. DATE APPROVED
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PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL	19. SIGNATURE OF APPROVING OFFICIAL
20. TYPED NAME OF APPROVING OFFICIAL	21. TITLE OF APPROVING OFFICIAL

22. REMARKS

STATE OF ARIZONA
METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES
INPATIENT HOSPITAL CARE

XI. Hospital Rapid Whole Genome Sequencing (RWGS) Testing Reimbursement

Effective October 30, 2023 – July 30, 2026

Rapid whole genome sequencing testing provided in the inpatient hospital setting is excluded from the DRG payment. An additional payment for medically necessary RWGS will be made to a hospital when established clinical criteria is met. Costs associated with RWGS are to be billed separately from the inpatient episode. Hospital reimbursement will be made according to the Medicaid laboratory fee schedule.