

June 23, 2025

Edwin Walaszek
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-25-0003, Newborn Screening Program Rate Update

Dear Mr. Walaszek:

Enclosed is State Plan Amendment (SPA) # AZ-25-0003, Newborn Screening Program Rate Update. This SPA updates Attachment 4.19-B, Methods and Standards for Establishing Payment Rates, Other Types of Care, page 5(c) for the newborn screening program rates in 2025 and 2026. The newborn screening program rate updates SPA will reserve a June 1, 2025 effective date.

Tribal Consultation on this SPA occurred on May 7, 2025:

https://www.azahcccs.gov/AmericanIndians/Downloads/Consultations/Meetings/2025/5725_Tri-AgencyDeck-SanCarlosApacheHealthcare.pdf

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

https://www.azahcccs.gov/AHCCCS/Downloads/PublicNotices/Public_Note_APR_DRG_Newborn_Rate_Changes_20250401.pdf

The **Federal Fiscal Impact** of this SPA has been calculated as:

- FFY 2025: \$194,000
- FFY 2026: \$795,000

Arizona calculated the federal fiscal impact based upon FFY 2024 newborn enrollment data for newborn screening fee changes and applied the rate adjustment to estimate the fiscal impact of the change. As a result, for the 4 month period in FFY 2025, the federal impact was \$194,000 at the FMAP of 65.65%. For FFY 2026, the full year impact is \$795,000 at an FMAP of 64.34%, which incorporates the \$23 increase for the first 6 months of FFY 2026 followed by an additional \$17 increase for the last 6 months of FFY 2026.

Sincerely,



Kyle Sawyer

Assistant Director, Public Policy and Strategic Planning
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

2 5 0 0 0 3

2. STATE

AZ

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE
SOCIAL SECURITY ACT

TO: CENTER DIRECTOR
CENTERS FOR MEDICAID & CHIP SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE

June 1, 2025

5. FEDERAL STATUTE/REGULATION CITATION
42 CFR § 440.130; 42 CFR § 441.56; 42 CFR § 440.345; Section
1902(e)(4) of the Social Security Act; Section 1902(a)(10)(A) of the Social
Security Act

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY: 2025 \$ 194,000

b. FFY: 2026 \$ 795,000

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Attachment 4.19-B, page 5(c)

8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION
OR ATTACHMENT (If Applicable)

Attachment 4.19-B, page 5(c)

9. SUBJECT OF AMENDMENT

Newborn Screening Program Rate Updates

10. 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:

11. SIGNATURE OF STATE AGENCY OFFICIAL

Kyle Sawyer

15. RETURN TO

Kyle Sawyer
801 E. Jefferson St., MD #4200
Phoenix, AZ 85034

12. TYPED NAME

Kyle Sawyer

13. TITLE

Assistant Director, Public Policy and Strategic Planning

14. DATE SUBMITTED: June 23, 2025

FOR CMS USE ONLY

16. DATE RECEIVED

17. DATE APPROVED

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
OTHER TYPES OF CARE

Rate Update:

Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers for other types of care. The agency's fee schedule rates are effective for services provided on or after ~~June~~~~April~~ 1, 2025. All rates are published at:

<https://www.azahcccs.gov/PlansProviders/RatesAndBilling/FFS/>

No. 25-000~~32~~

Approved:

Effective: ~~June~~~~April~~ 1, 2025

TN

Supersedes TN No. ~~25-0002~~ ~~24-0025~~