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State/Territory Name: Arizona

State Plan Amendment (SPA) #: 25-0028

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form/Summary Form (with 179-like data)
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
601 E. 12th St., Room 355
Kansas City, Missouri 64106



Medicaid and CHIP Operations Group

March 4, 2026

Roberta Harrison
Interim State Medicaid Director
Arizona Health Care Cost Containment System
801 E. Jefferson Street
Phoenix, AZ 85034

Re: Arizona State Plan Amendment (SPA) – 25-0028

Dear Director Harrison:

The Centers for Medicare & Medicaid Services (CMS) reviewed your Medicaid State Plan Amendment (SPA) submitted under transmittal number (TN) 25-0028. This amendment would expand coverage to include outpatient speech therapy and cochlear implants for individuals who are at least 21 years old.

We conducted our review of your submittal according to statutory requirements in Section 1905(a)(11)(c) and (a)(12) of the Act. This letter informs you that Arizona's Medicaid SPA TN AZ-25-0028 was approved on March 4, 2026, with an effective date of October 1, 2025.

Enclosed are copies of Form CMS-179 and approved SPA pages to be incorporated into the Arizona State Plan.

If you have any questions, please contact Edwin Walaszek at (212) 616-2512 or via email at Edwin.Walaszek1@cms.hhs.gov.

Sincerely,

WENDY E. HILL
PETRAS -S

Digitally signed by WENDY E.
HILL PETRAS -S
Date: 2026.03.04 10:11:01
-08'00'

Wendy E. Hill Petras
Acting Director, Division of Program Operations

Enclosures

cc: Max Seifer, Federal Relations Chief, AHCCCS
Ryan Melson, Federal Relations Chief, AHCCCS
Kyle Sawyer, Assistant Director, AHCCCS

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

1. TRANSMITTAL NUMBER

2 5 — 0 0 2 8

2. STATE

A Z

3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL SECURITY ACT

XIX XXI

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

4. PROPOSED EFFECTIVE DATE

October 1, 2025

5. FEDERAL STATUTE/REGULATION CITATION

SSA § 1905(a)(11)(c) and (a)(12)

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY 2026 \$ 0
b. FFY 2027 \$ 0

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

For Speech Therapy - Attachment 3.1-A Limitations, Services for the individuals with speech, hearing, and language disorders, page 8(a); For Cochlear Implants Attachment 3.1-A Limitations, Prosthetic devices, page 9

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

~~For Speech Therapy - Attachment 3.1-A Limitations, Services for the individuals with speech, hearing, and language disorders, page 8(a); For Cochlear Implants Attachment 3.1-A Limitations, Prosthetic devices, page 9~~

Attachment. 3.1-A Limitations Page 8(a) (11-006)

Attachment. 3.1-A Limitations Page 9 (24-0013)

9. SUBJECT OF AMENDMENT

This SPA adds speech therapy in an outpatient setting and cochlear implants as covered services to individuals who are at least 21 years of age to be compliant with the enacted state legislation language.

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

12. TYPED NAME

Kyle Sawyer

13. TITLE

Assistant Director, Public Policy and Strategic Planning

14. DATE SUBMITTED

December 18, 2025

15. RETURN TO

Kyle Sawyer
150 N. 18th Ave.
Phoenix, AZ 85007

FOR CMS USE ONLY

16. DATE RECEIVED

December 18, 2025

17. DATE APPROVED

March 4, 2026

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL

October 1, 2025

19. SIGNATURE OF APPROVING OFFICIAL

WENDY E. HILL PETRAS -S
Digitally signed by WENDY E. HILL PETRAS -S
Date: 2026.03.04 10:11:48 -08'00'

20. TYPED NAME OF APPROVING OFFICIAL

Wendy E. Hill Petras

21. TITLE OF APPROVING OFFICIAL

Acting Director, Division of Program Operations

22. REMARKS

12/29/25: The state authorizes the following Pen and ink change to the 179 form:

Box 8:

-Attachment. 3.1-A Limitations Page 8(a) (11-006)

-Attachment. 3.1-A Limitations Page 9 (24-0013)

11c. Services for individuals with speech, hearing, and language disorders (provided by or under the supervision of a speech pathologist or audiologist).

Speech Pathology services are provided to diagnose, evaluate, and provide treatment for specific speech, language and hearing disorders. Adults over the age of 21 are provided with speech therapy services in an inpatient and/or outpatient setting. Members enrolled in the ALTCS program receive services provided under the 1115 Waiver. Assessment, evaluation, and treatment services are included as part of this benefit. Providers meet the applicable requirements at 42 CFR 440.110.

Speech pathology services are provided by: 1) State-licensed speech-language pathologists; and 2) licensed speech-language pathologist assistants under the direction of State-licensed speech-language pathologists. In addition, persons who have a Provisional Speech and Language Impaired Certificate must be supervised by an American Speech and Language Hearing Association-certified pathologist. All providers of speech pathology services meet the requirements of 42 CFR 440.110

Audiology

Audiology services are provided to evaluate hearing loss and rehabilitate persons who may or may not be improved by medication or surgical treatment. Members enrolled in the ALTCS program receive services provided under the 1115 Waiver.

Audiological services are provided by Audiologists licensed with the Arizona Department of Health Services (ADHS) and meet the requirements in 42 CFR 440.110.

12. Prescribed drugs, dentures, and prosthetic devices; and eyeglasses prescribed by a physician skilled in diseases of the eye or by an optometrist.

12a. Prescribed drugs.

Medicare Part D drugs are not covered for full benefit dual eligible members, as coverage is provided through Medicare Part D PDPs and MAPDs

Prescription drugs for covered transplantation services shall be provided in accordance with AHCCCS transplantation policies.

AHCCCS only covers over-the-counter medications in place of a covered prescription medication that is clinically appropriate, equally safe and effective, and less costly than the covered prescription medication.

In compliance with Section 1927(b) of the Social Security Act (the Act), the State collects drug rebates in accordance with established policy for drug rebate agreements as provided in Exhibit 12(a) to Attachment 3.1-A.

CMS has authorized the state of Arizona to enter into Outcomes-Based contract arrangements with drug manufacturers for drugs provided to Medicaid beneficiaries. These contracts will be executed on the contract template titled "Outcomes-Based Supplemental Rebate Agreement" submitted to CMS and authorized for use beginning July 1, 2019.

AHCCCS covers select prescribed drugs when medically necessary. Prescribed drugs that are not covered outpatient drugs (including drugs authorized for import by the Food and Drug Administration) are also covered when medically necessary during drug shortages identified by the Food and Drug Administration.

12c. Prosthetic devices.

Prosthetic devices are limited to devices prescribed by a physician or other licensed practitioner of the healing arts within the scope of their practice to artificially replace missing, deformed or malfunctioning portions of the body.

Covered prosthetic devices for members age 21 and older include cochlear implants, but do not include bone anchored hearing aids, percussive vests, microprocessors for controlled joints for the lower limbs in addition to microprocessor-controlled joints for the lower limbs, penile implants, and vacuum devices.

Orthotic devices, which are defined as devices that are prescribed by a physician or other licensed practitioner of the healing arts to support a weak or deformed portion of the body, are covered when the use of the orthotic is medically necessary as the preferred treatment option consistent with Medicare guidelines and the orthotic is less expensive than all other treatment options or surgical procedures to treat the same diagnosed condition.

12d. Eyeglasses.

Medically necessary prescriptive lenses are covered for individuals under the age of 21 as EPSDT services.

Adult services are limited to eyeglasses and contact lenses as the sole prosthetic device after a cataract extraction.

13. Other diagnostic, screening, preventive, and rehabilitative services, i.e., other than those provided elsewhere in the plan.

13a. Diagnostic Services.

Genetic testing is not covered unless the results of the genetic tests are necessary to differentiate between treatment options. Genetic testing is not covered to determine specific diagnoses or syndromes when such determination would not definitively alter the medical treatment of the member.