

September 25, 2026

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-26-0008, Disproportionate Share Hospital (DSH) Pool 5

Dear Mr. Walaszek:

Enclosed is State Plan Amendment (SPA) # AZ-26-0008, Disproportionate Share Hospital (DSH) Pool 5. This SPA updates the DSH Pool 5 funding and participating hospitals in the State Plan, effective October 1, 2026.

Tribal Consultation occurred for this SPA on August 4, 2026.

https://www.azahcccs.gov/AmericanIndians/Downloads/Consultations/Meetings/2026/08042026_AHC_CCS_TribalConsultationCombinedPresentation.pdf

The public notice period for this SPA closed on August 31, 2026, and no comments were received.

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

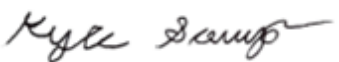
https://www.azahcccs.gov/shared/Downloads/PublicNotices/DSHFY27NOPI_DRAFT_Letterhead.pdf

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

- FFY 2027: \$TBD
- FFY 2028: \$TBD

If there are any questions about the enclosed SPA, please contact Ryan Melson at Ryan.Melson@azahcccs.gov or 602-417-7309.

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 6 — 0 0 0 8

2. STATE

A Z3. 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, 2026

5. FEDERAL STATUTE/REGULATION CITATION

42 CFR Part 447

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY 2027

\$ TBD

b. FFY 2028

\$ TBD

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Attachment 4.19-A Page 66, 66(a)(i)

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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION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

Attachment 4.19-A Page 66, 66(a)(i)

9. SUBJECT OF AMENDMENT

Updates the DSH Pool 5 funding and participating hospitals in the State Plan.

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



12. TYPED NAME

Kyle Sawyer

13. TITLE

Assistant Director, Public Policy and Strategic Planning

14. DATE SUBMITTED

September 25, 2026

15. RETURN TO

Kyle Sawyer

150 N. 18th Ave.

Phoenix, AZ 85007

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
INPATIENT HOSPITAL CARE

Pool 5 - The funding for pool 5 is specified below.

- For SPY 2018, the funding for Pool 5 is the FY 2018 Arizona DSH allotment total computable amount minus \$143,178,200.
- For SPY 2019, the funding for Pool 5 is the FY 2019 Arizona DSH allotment total computable amount minus \$143,178,200.
- For SPY 2020, the funding for Pool 5 is the FY 2020 Arizona DSH allotment total computable amount minus \$143,178,200.
- For SPY 2021, the funding for Pool 5 is the FY 2021 Arizona DSH allotment total computable amount minus \$143,178,200.
- For SPY 2022, the funding for Pool 5 is the FY 2022 Arizona DSH allotment total computable amount minus \$143,178,200.
- For SPY 2023, the funding for Pool 5 is the FY 2023 Arizona DSH allotment total computable amount minus \$143,178,200.
- For SPY 2024, the funding for Pool 5 is the FY 2024 Arizona DSH allotment total computable amount minus \$143,178,200.
- For SPY 2025, the funding for Pool 5 is the FY 2025⁴ Arizona DSH allotment total computable amount minus \$143,178,200.
- For SPY 2026, the funding for Pool 5 is the FY 2026⁴ Arizona DSH allotment total computable amount minus \$143,178,200.

For SPY 2027, the funding for Pool 5 is the FY 2027 Arizona DSH allotment total computable amount minus \$29,359,700

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For SPY 2018, the pool 5 hospitals are:

- Benson Hospital
- Holy Cross Hospital
- Kingman Regional Medical Center
- Little Colorado Medical Center
- Mt. Graham Regional Medical Center
- Northern Cochise Community Hospital
- Page Hospital
- Yuma Regional Medical Center
- Canyon Vista Medical Center
- Banner Payson Medical Center

For SPY 2019, the pool 5 hospitals are:

- Benson Hospital
- Holy Cross Hospital
- Kingman Regional Medical Center
- Little Colorado Medical Center
- Mt. Graham Regional Medical Center
- Northern Cochise Community Hospital
- Page Hospital
- Yuma Regional Medical Center
- Canyon Vista Medical Center
- Banner Payson Medical Center

TN No. 25-0017-26-0008

Supersedes TN No. 24-0010-25-0017 Approval Date: _____ Effective Date: October 1, 2025⁶

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

For SPY 2025, the pool 5 hospitals are:

- ABRAZO CENTRAL CAMPUS
- ABRAZO SCOTTSDALE CAMPUS
- ABRAZO WEST CAMPUS
- BANNER CASA GRANDE
- BANNER ESTRELLA MEDICAL
- BANNER IRONWOOD MEDICAL
- BANNER-UMC PHOENIX CAMPUS
- BENSON HOSPITAL
- DIGNITY HLTH AZ GENERAL
- MT. GRAHAM REG. MED. CTR.
- ST JOSEPH'S HOSPITAL-PHX
- ST MARY'S HOSPITAL
- TUCSON MEDICAL CENTER
- YUMA REGIONAL MED CENTER

For SPY 2025 the pool 5 hospitals are:

- ABRAZO CENTRAL CAMPUS
- ABRAZO SCOTTSDALE CAMPUS
- ABRAZO WEST CAMPUS
- BANNER CASA GRANDE
- BANNER ESTRELLA MEDICAL
- BANNER IRONWOOD MEDICAL
- BANNER-UMC PHOENIX CAMPUS
- DIGNITY HLTH AZ GENERAL
- ST JOSEPH'S HOSPITAL-PHX
- ST MARY'S HOSPITAL
- TUCSON MEDICAL CENTER

For SPY 2026, the pool 5 hospitals are:

- ABRAZO CENTRAL CAMPUS
- ABRAZO SCOTTSDALE CAMPUS
- ABRAZO WEST CAMPUS
- BANNER CASA GRANDE
- BANNER ESTRELLA MEDICAL
- BANNER IRONWOOD MEDICAL
- BANNER-UMC PHOENIX CAMPUS
- DIGNITY HLTH AZ GENERAL
- ST JOSEPH'S HOSPITAL-PHX
- ST MARY'S HOSPITAL
- TUCSON MEDICAL CENTER

For SPY 2027, the pool 5 hospitals are:

- ABRAZO CENTRAL CAMPUS
- ABRAZO SCOTTSDALE CAMPUS
- ABRAZO WEST CAMPUS
- BANNER CASA GRANDE
- BANNER ESTRELLA MEDICAL
- BANNER IRONWOOD MEDICAL
- BANNER-UMC PHOENIX CAMPUS
- DIGNITY HLTH AZ GENERAL
- ST JOSEPH'S HOSPITAL-PHX
- ST MARY'S HOSPITAL
- TUCSON MEDICAL CENTER

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Upon reconciliation, Pool 5 funds will be recouped due to changes in hospital qualification or payment limits; Pool 5 overpayments are not redistributed to other hospitals.

TN No. ~~25-001726-0008~~

Supersedes TN No. ~~24-001025-0017~~

Approval Date: _____

Effective Date: October 1, 202~~6~~⁵

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