DEPARTMENT OF HEALTH & HUMAN SERVICES Centers for Medicare & Medicaid Services 7500 Security Boulevard, Mail Stop S2-26-12 Baltimore, Maryland 21244-1850



Center for Medicaid, CHIP, and Survey & Certification

SEP 16 2010

Tom Betlach, Director Arizona Health Care Cost Containment System 801 E. Jefferson Phoenix, AZ 85034

RE: Arizona SPA 10-003

Dear Mr. Betlach:

We have reviewed the proposed amendment to Attachment 4.19-A of your Medicaid State plan submitted under transmittal number (TN) 10-003. This amendment updates the amounts of Arizona's graduate medical education and indirect medical education payment pools and designates the qualifying teaching hospitals for each payment pool for the fiscal period of July 1, 2009 to June 30, 2010.

We conducted our review of your submittal according to the statutory requirements at sections 1902(a)(13), 1902(a)(30), 1903(a), and 1923 of the Social Security Act and the implementing Federal regulations at 42 CFR 447 Subpart C. We are pleased to inform you that Medicaid State plan amendment 10-003 is approved effective April 3, 2010. We are enclosing the HCFA-179 and the amended plan pages.

If you have any questions, please call Mark Wong at (415) 744-3561.

Sincerely,

Cindy Mann

Director, CMCS

Enclosures