Region IX

Division of Medicaid & Children's Health Operations
90 Seventh Street, Suite 5-300 (5W)

San Francisco, CA 94103-6706

MAR 3 1 2011

Thomas Betlach, Director Arizona Health Care Cost Containment System 801 East Jefferson Street Phoenix, AZ 85034

Dear Mr. Betlach:

Enclosed is an approved copy of Arizona State Plan Amendment (SPA) No. 11-003. This SPA assures compliance with Section 6505 of the Affordable Care Act (ACA) of 2010, which amended section 1902(a)(80) of the Social Security Act (the Act) to require that a State shall not provide any payments for items or services provided under the State plan or under a waiver to any financial institution or entity located outside of the United States. The effective date of this SPA is January 1, 2011.

If you have any questions, please contact Cheryl Young at (415) 744-3598 or Cheryl. Young@cms.hhs.gov.

Sincerely,

Gloria Nagle, Ph.D., MPA

Associate Regional Administrator

Kom Nagle

Division of Medicaid & Children's Health Operations

cc: Jessica Schubel, CMCS HeeYoung Ansell