



DEPARTMENT OF HEALTH & HUMAN SERVICES

Centers for Medicare & Medicaid Services

Region IX

Division of Medicaid & Children's Health Operations

90 Seventh Street, Suite 5-300 (5W)

San Francisco, CA 94103-6706

DEC 16 2011

Thomas J. 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. 11-007. This SPA revises the reimbursement methodology for school-based claiming to provide a more comprehensive, cost-based reconciliation process to enhance the identification of actual costs and improve the accuracy of claims reimbursement in compliance with Section 1905(a)(5) of the Social Security Act; the Individuals with Disabilities Education Act (IDEA) Part B; 42 CFR 440.60, 42 CFR 42 CFR 440.110, 42 CFR 440.130, 42 CFR 440.167, and 42 CFR 441.62. This SPA also revises the school-based services pages in Attachment 3.1-A Limitations to clarify the descriptions of services and provider qualifications for the therapies, nursing, transportation, and behavioral health services provided under this benefit.

The effective date of this SPA is July 1, 2011 as requested. Enclosed is the following approved State Plan page to be incorporated within your approved State Plan:

- Attachment 3.1-A Limitations, pages 3-5(b)
- Attachment 4.19-B, pages 10-16

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

Sincerely,

Gloria Nagle, Ph.D., MPA

Associate Regional Administrator

Division of Medicaid & Children's Health Operations

cc: Jessica Schubel
HeeYoung Ansell