



Region IX

Division of Medicaid & Children's Health Operations

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

San Francisco, CA 94103-6706

NOV 21 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. 11-009C. This SPA implements a rate reduction effective for claims with dates of service from October 1, 2011 to September 30, 2012 for all non-institutional services except as otherwise noted. In that period, reimbursement will be reduced by 5 percent of the payment that otherwise would have been made under the methodology in effect as of October 1, 2010. This SPA also makes a clarification on the limitations for item 13.a, Diagnostic Services, listed on Attachment 3.1-A Limitations.

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

- Attachment 4.19-B, page 5(c)
- Attachment 3.1-A Limitations, page 9

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