



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

SEP 22 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. 11-010. This SPA allows Arizona to rebase its outpatient hospital reimbursement fee schedule effective October 1, 2011 using the most current available Medicare cost data. This rebase of outpatient hospital rates is required by State law every five years and is budget neutral because the total payment for hospital outpatient services will remain the same.

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

- Attachment 4.19-B, pages 1 and 2

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