

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
San Francisco Regional Office
90 Seventh Street, Suite 5-300 (5W)
San Francisco, CA 94103-6706



DIVISION OF MEDICAID & CHILDREN'S HEALTH OPERATIONS

JUN 12 2013

Tom 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. 13-003. This amendment updates the State Plan to reflect reimbursements under the Arizona Medicaid Fee Schedule that will comply with Section 1902(a)(13) as amended by Section 1202 of the Affordable Care Act and implementing regulations effective January 1, 2013.

Enclosed are the following approved State Plan pages to be incorporated within your approved State Plan:

- Attachment 4.19-B, page 5(a)
- Attachment 4.19-B, page 5(d-g)

As we are working in partnership to implement this important provision, we would greatly appreciate if you can inform us when your state begins to pay the increased rates to your providers. Additionally, to the extent you have information regarding the number of providers receiving the enhanced payments, we would appreciate that information as well.

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

Sincerely,

/s/

Gloria Nagle, Ph.D., MPA
Associate Regional Administrator
Division of Medicaid & Children's Health Operations

cc: Wakina Scott
HeeYoung Ansell