

March 30, 2023

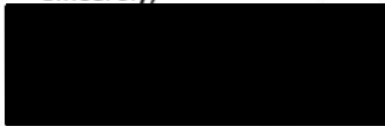
Brian Zolynas
Project Officer, CMS, San Francisco Regional Office
90 7th Street, Suite 5-300
San Francisco, CA 94 103

Dear Mr. Zolynas,

Pursuant to paragraph 122 of Arizona's 1115 Demonstration Waiver Special Terms and Conditions (STCs), AHCCCS is submitting documentation that the percentage of AHCCCS fee-for-service beneficiary expenditures compared to total Medical Assistance expenditures do not exceed 5 percent of Arizona's total Medical Assistance expenditures. The documentation is available on the next page of this document.

Please feel free to contact Jeffery Tegen with any questions about this matter. He may be reached at jeffery.tegen@azahcccs.gov.

Sincerely,



Jeffery Tegen
Assistant Director

**Arizona Health Care Cost Containment System
STC #91 Applicability of Fee for Service Upper Payment Limits
As Compared to Total Medical Assistance Expenditures
FFY 2023**

		Total Computable	Non Fee for Service Expenditures	Expenditures for Members Enrolled in the American Indian Health Program (AIHP) and Tribal ALTCS	IHS Payments for Managed Care Enrolled Members	Expenditures Subject to 5% Limit	
Medical Assistance Payments							
1	A	Inpatient Hospital - Reg. Payments	141,174,038	-	129,833,241	6,393,742	4,947,055
	B	Inpatient Hospital - DSH	137,233,976	137,233,976	-	-	-
	C	Inpatient Hospital - Supplemental	-	-	-	-	-
	D	Inpatient Hospital - GME	400,334,274	400,334,274	-	-	-
2	A	Mental Health Facility Services - Reg. Payment	7,568,913	-	7,161,808	205,723	201,383
	B	Mental Health Facility - DSH	28,474,900	28,474,900	-	-	-
3		Nursing Facility Services	65,119,626	-	64,732,886	57,600	329,140
	B.2	Nursing Facility Services Supplemental	861,020	861,020	-	-	-
	B.3	Nursing Facility Services Supplemental	10,784,345	10,784,345	-	-	-
4	A	Intermediate Care Facility - Public	-	-	-	-	-
	B	Intermediate Care - Private	-	-	-	-	-
5	A	Physicians' Services	78,515,964	-	75,347,856	387,747	2,780,360
	C	Physician & Surgical Services - Eval & Mgmt	-	-	-	-	-
	D	Physician & Surgical Services - Vaccine codes	-	-	-	-	-
6	A	Outpatient Hospital Services - Regular	592,920,955	-	523,123,440	69,497,114	300,402
	B	Outpatient Hospital Services - Supplemental	-	-	-	-	-
7		Prescribed Drugs	362,469,512	-	324,364,300	36,817,257	1,287,955
7	A.1	Drug Rebate Offset - National Agreement	(34,509,988)	-	-	-	(34,509,988)
	A.2	Drug Rebate Offset - State Sidebar Agreement	(8,493,767)	-	-	-	(8,493,767)
	A.3	MCO - National Agreement	(1,068,148,318)	(1,068,148,318)	-	-	-
	A.4	MCO - State Sidebar Agreement	(147,873,053)	(147,873,053)	-	-	-
	A.5	Increased ACA Offset - FFS 100%	(2,535,250)	-	-	-	(2,535,250)
	A.6	Increased ACA Offset - MCO 100%	(75,075,266)	(75,075,266)	-	-	-
8		Dental Services	5,765,167	-	5,699,334	59,647	6,186
9		Other Practitioners	9,336,965	-	8,930,095	144,784	262,086
10		Clinic Services	1,289,800,166	-	1,283,236,465	321,402	6,242,299
11		Laboratory/Radiological	46,650,603	-	45,683,145	413,309	554,149
12		Home Health Services	7,449,098	-	2,856,599	586	4,591,914
13		Sterilizations	56,081	-	54,464	1,258	359
14		Abortions	-	-	94,568	9,880	(104,448)
15		EPSDT Screening	1,924,669	-	1,868,024	16,680	39,965
16		Rural Health	737,984	-	737,242	-	742
17	A	Medicare - Part A	23,055,828	23,055,828	-	-	-
	B	Medicare - Part B	464,533,488	464,533,488	-	-	-
	C.1	120% - 134% Of Poverty	46,483,097	46,483,097	-	-	-
	C.2	135% - 175% Of Poverty	-	-	-	-	-
	D	Coinsurance	6,060,935	6,060,935	-	-	-
18	A	Medicaid - MCO	18,306,246,159	18,306,246,159	-	-	-
	A1	Medicaid - MCO- Evaluation and Management	-	-	-	-	-
	A2	Medicaid - MCO -Vaccine Codes	-	-	-	-	-
	B.1	Prepaid Ambulatory Health Plan	-	-	-	-	-
	B.2	Prepaid Inpatient Health Plan	200,260,264	200,260,264	-	-	-
	C	Medicaid - Group Health	-	-	-	-	-
	D	Medicaid - Coinsurance	-	-	-	-	-
	E	Medicaid - Other	-	-	-	-	-
19	A	HCBS - Reg Pay (Waiver)	-	-	-	-	-
	B	HCBS - Reg Pay - St. Plan 1915(i) Only Pay	-	-	-	-	-
	C	HCBS - Reg Pay (Waiver)	-	-	-	-	-
22		All-Inclusive Care Elderly	-	-	-	-	-
23	A	Personal Care Services - Reg Pay	948,937	-	948,937	-	-
	B	Personal Care Services - SDS 1915(j)	-	-	-	-	-
24	A	Targeted Case Mgt. - Com. Case-Man.	233,953	-	-	-	233,953
	B	Case Management - State Wide	-	-	-	-	-
25		Primary Care Case Management	12,079,849	-	-	-	12,079,849
26		Hospice Benefits	653,390	-	653,390	-	-
27		Emergency Services Undocumented Aliens	164,197,945	-	47	9,346	164,188,552
28		Federally-Qualified Health Center	95,120,032	41,261,439	17,844,533	7,309,666	28,704,393
29		Non Emergency Medical Transportation***	101,970,659	-	101,518,742	403,043	48,873
30		Physical Therapy	33,198	-	33,198	-	-
31		Occupational Therapy	-	-	-	-	-
32		Services for Speech, Hearing & Language	195,310	-	187,151	-	8,159
33		Prosthetic Devices, Dentures, Eyeglasses	4,729,901	-	4,725,754	5,057	(910)
34		Diagnostic Screening & Preventive Services	976,569	-	959,430	3,846	13,294
35		Nurse Mid-Wife	1,275,839	-	1,166,997	90,762	18,080
36		Emergency Hospital Services	109,204,120	-	98,377,754	-	10,826,366
37		Critical Access Hospitals	33,448,050	23,910,837	9,263,912	260,492	12,810
38		Nurse Practitioner Services	13,921,213	-	13,769,546	28,812	122,855
39		School Based Services	107,861,429	107,861,429	-	-	-
40		Rehabilitative Services (non-school-based)	471,925,226	-	458,103,153	663,106	13,158,967
41		Private Duty Nursing	3,574	-	-	-	3,574
47		ARP Section 9811 COVID Vaccine/Vaccine Ad	10,421,472	2,590,478	-	-	7,830,994
49		Other Care Services	158,869,028	-	161,445,973	1,868,580	(4,445,526)
		22,185,252,077	18,508,855,832	3,342,721,983	124,969,439	208,704,822	

Percentage of Fee-for-Service Beneficiary Expenditures to Total Medical Assistance Expenditures

0.94%