

March 15, 2024

Ms. Kate Friedman
Project Officer
Centers for Medicare & Medicaid Services
Center for Medicaid & CHIP Services
7500 Security Boulevard, Mail Stop S2-01-16
Baltimore, MD 21244-1850

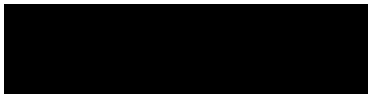
**RE: Arizona’s 1115 Waiver Amendment: Parents as Paid Caregivers and Kidscare Expansion
Acceptance Letter**

Dear Ms. Friedman,

This letter serves as the State of Arizona’s formal acceptance of the Special Terms and Conditions for the amendment with two policies, “Parents as Paid Caregivers” (PPCG) and “KidsCare Expansion,” to the demonstration titled, “Arizona Health Care Cost Containment System (AHCCCS)” (Project Number 11-W-00275/9 and 21-W-00074/9). This waiver amendment allows Arizona to continue to reimburse legally responsible parents of minor children for providing direct care to their minor children, helping to mitigate the direct care worker shortage and improve access to timely, effective care in the home and community. The amendment also establishes a Family Support service as part of the home and community-based services (HCBS) benefit package. The Family Support service aims to support primary caregivers, including parents, and improve access to timely, effective care in the home and community. Additionally, the KidsCare Expansion amendment will allow the state to increase the Children’s Health Insurance Program (CHIP) (known in the state as KidsCare) eligibility thresholds from 200 percent of the federal poverty level (FPL) up to and including 225 percent of the FPL, with the flexibility for KidsCare coverage to go up to and include 300 percent of the FPL, subject to approval by the state legislature.

My team and I sincerely appreciate the hard work and professionalism of the CMS staff and leadership who worked to finalize the waiver request. We value our partnership and look forward to continuing working with you.

Sincerely,



Carmen Heredia
Cabinet Executive Officer
Executive Deputy Director