

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
7500 Security Boulevard, Mail Stop S2-03-17  
Baltimore, Maryland 21244-1850



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**State Demonstrations Group**

October 5, 2017

Mr. Thomas Betlach  
Director  
Arizona Health Care Cost Containment System  
801 East Jefferson Street  
Phoenix, AZ 85034

Dear Mr. Betlach:

This letter is in regards to Arizona's section 1115 demonstration, Arizona Health Care Cost Containment System (AHCCCS), and the January 18, 2017, amendment to the demonstration to implement the Targeted Investments Program. The Centers for Medicare & Medicaid Services (CMS) has reviewed and approved a new attachment to the Special Terms and Conditions (STC) that will serve as the Designated State Health Programs (DSHP) Claiming Protocol.

As outlined in STC 51, the protocol describes the procedures used that ensure that federal financial participation (FFP) is claimed for permissible expenditures under the 1115 demonstration. The attachment is enclosed with this letter, and will be Attachment H of Arizona's 1115 demonstration STCs. The state may begin claiming FFP in accordance with the established STCs for the DSHP.

If you have any questions, please contact your project officer, Ms. Jessica Woodard, at either 410-786-9249 or by email at [Jessica.Woodard@cms.hhs.gov](mailto:Jessica.Woodard@cms.hhs.gov).

We look forward to continuing to partner with you and your staff on the AHCCCS demonstration.

Sincerely,

/s/

Andrea J. Casart  
Director  
Division of Medicaid Expansion Demonstrations

Enclosure

cc: Henrietta Sam-Louie, Associate Regional Administrator, CMS San Francisco Regional Office

Richard Kimball, Financial Management Group, CMS