



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

DEC 04 2009

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. 09-003B, regarding the outpatient hospital fee schedule. This SPA updates the outpatient hospital reimbursement rates for the rate year beginning October 1, 2009. The update reflects State legislative enactment of a rate freeze in which the inflation factors will not be applied. This SPA also updates the reimbursement effectiveness dates in Attachment 4.19-B for laboratory services, certain EPSDT services, and hospice.

If you have any questions, please have your staff contact Cheryl Young at (415) 744-3598.

Sincerely,

Gloria Nagle, Ph.D., M.P.A.

Associate Regional Administrator

Division of Medicaid & Children's Health Operations

cc: Michele Bowser, CMS Center for Medicaid and State Operations (two copies)
HeeYoung Ansell