



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

MAR 04 2011

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. 10-011C. This SPA implements a mid-year rate reduction for specified non-institutional services that have claims with dates of service between April 1, 2011 and September 30, 2011. In that period, reimbursement will be reduced by 5 percent of the payment that otherwise would have been made under the methodology in effect as of October 1, 2010. The two exceptions are home health services and private duty nursing services: these services will be reduced by 2.5 percent for claims with dates of service that fall within the aforementioned time period. This SPA is effective April 1, 2011.

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

Sincerely,

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

cc: Jessica Schubel
HeeYoung Ansell