

## **Table of Contents**

**State/Territory Name: Arizona**

**State Plan Amendment (SPA) #: 11-017B**

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form/Summary Form (with 179-like data)
- 3) Approved SPA Pages



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FEB 10 2014

Tom Betlach, Director  
Arizona Health Care Cost Containment System  
801 E. Jefferson  
Phoenix, AZ 85034

RE: Arizona SPA 11-017B

Dear Mr. Betlach:

We have reviewed the proposed amendment to Attachment 4.19-A of your Medicaid State plan submitted under transmittal number (TN) 11-017B. This amendment increases the amounts of Arizona's graduate medical education and indirect medical education payment pools and designates an additional qualifying teaching hospital for each payment pool for the fiscal period of July 1, 2011 to June 30, 2012.

We conducted our review of your submittal according to the statutory requirements at sections 1902(a)(13), 1902(a)(30), 1903(a), and 1923 of the Social Security Act and the implementing Federal regulations at 42 CFR 447 Subpart C. This is to inform you that Medicaid State plan amendment TN 11-017B is approved effective November 22, 2011. We are enclosing the HCFA-179 and the amended plan pages.

If you have any questions, please call Mark Wong at (415) 744-3561.

Sincerely,

/s/

Cindy Mann  
Director

Enclosures

<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL</b>		1. TRANSMITTAL NUMBER: 11-017B	2. STATE Arizona
<b>FOR: Centers for Medicare and Medicaid Services</b>		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE AND MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE November 22, 2011	
5. TYPE OF PLAN MATERIAL ( <i>Check One</i> ):			
<input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT			
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT ( <i>Separate Transmittal for each amendment</i> )			
6. FEDERAL STATUTE/REGULATION CITATION:  1902(a)(13); 42 CFR 447 Subpart C		7. FEDERAL BUDGET IMPACT:  FFY 12: \$17,607,995	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:  Attachment 4.19-A, page 9(g)(i)		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT ( <i>If Applicable</i> ):  Same	
10. SUBJECT OF AMENDMENT:  Updates GME funding for the service period July 1, 2011 through June 30, 2012 for programs with submitted IGAs.			
11. GOVERNOR'S REVIEW ( <i>Check One</i> ):			
<input checked="" type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input type="checkbox"/> OTHER, AS SPECIFIED:			
<input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED			
<input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL			
12. SIGNATURE OF STATE AGENCY OFFICIAL:  /s/		16. RETURN TO:  Monica Coury 801 E. Jefferson, MD#4200 Phoenix, Arizona 85034	
13. TYPED NAME: Monica Coury			
14. TITLE: Assistant Director			
15. DATE SUBMITTED: November 23, 2011			
<b>FOR REGIONAL OFFICE USE ONLY</b>			
17. DATE RECEIVED:		18. DATE APPROVED: FEB 10 2014	
PLAN APPROVED - ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: NOV 22 2011		20. SIGNATURE OF REGIONAL OFFICIAL: /s/	
21. TYPED NAME: Penny Thompson		22. TITLE: Deputy Director, Policy & Financial Mgt. Cms	
23. REMARKS:			

STATE OF ARIZONA  
METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES  
INPATIENT HOSPITAL CARE

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ADDITIONAL POOL AMOUNTS

1. The methodology described in Paragraph B(1) applies to the following:  
For the service period July 1, 2010 through June 30, 2011, in addition to the payments in Paragraph B(1), the Administration shall distribute up to \$2,503,350 as described in this paragraph to the following hospitals: Banner Good Samaritan.  
For the service period July 1, 2011 through June 30, 2012, in addition to the payments in Paragraph B(1), the Administration shall distribute up to \$3,124,906 as described in this paragraph to the following hospitals: St. Joseph's Hospital.
2. The methodology described in Paragraph B(3) applies to the following:  
For the service period of July 1, 2010, to June 30, 2011, in addition to the payments in Paragraph B(3), the Administration shall distribute up to \$1,113,342 under this paragraph to the following hospitals: Banner Good Samaritan. If funds are insufficient to cover all calculated distributions within any priority group described in paragraphs B(3)(a) and (b), the Administration shall adjust the distributions proportionally within that priority group.  
For the service period of July 1, 2011, to June 30, 2012, in addition to the payments in Paragraph B(3), the Administration shall distribute up to \$1,714,498 under this paragraph to the following hospitals: St. Joseph's Hospital. If funds are insufficient to cover all calculated distributions within any priority group described in paragraphs B(3)(a) and (b), the Administration shall adjust the distributions proportionally within that priority group.
3. The methodology described in Paragraph B(4) applies to the following:  
For the service period of July 1, 2010, to June 30, 2011, in addition to the payments in Paragraph B(4), the Administration shall distribute up to \$426,998 under this paragraph to the following hospitals: Banner Good Samaritan. If funds are insufficient to cover all calculated distributions, the Administration shall adjust the distributions proportionally.  
For the service period of July 1, 2011, to June 30, 2012, in addition to the payments in Paragraph B(4), the Administration shall distribute up to \$799,281 under this paragraph to the following hospitals: St. Joseph's Hospital. If funds are insufficient to cover all calculated distributions, the Administration shall adjust the distributions proportionally.
4. The methodology described in Paragraph F applies to the following:  
For the service period of July 1, 2010 to June 30, 2011, in addition to the payments in Paragraph F, the Administration shall distribute up to \$18,331,976 in total funds under this paragraph to the following hospitals: Banner Good Samaritan. Any unallocated authority remaining from paragraphs B(3), B(4) or D after any necessary redistribution under paragraph E may be distributed under this paragraph.  
For the service period of July 1, 2011 to June 30, 2012, in addition to the payments in Paragraph F, the Administration shall distribute up to \$20,666,441 in total funds under this paragraph to the following hospitals: St. Joseph's Hospital. Any unallocated authority remaining from paragraphs B(3), B(4) or D after any necessary redistribution under paragraph E may be distributed under this paragraph.