

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
San Francisco Regional Office
90 Seventh Street, Suite 5-300 (5W)
San Francisco, CA 94103-6706



DIVISION OF MEDICAID & CHILDREN'S HEALTH OPERATIONS

FEB 06 2013

Tom 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. 12-006B. This amendment implements an outpatient hospital reimbursement rate reduction effective for claims with dates of service from October 1, 2011 to September 30, 2013. 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, 2011.

The effective date of this SPA is October 1, 2012 as requested. Enclosed is the following approved State Plan page to be incorporated within your approved State Plan:

- Attachment 4.19-B, page 1(a)

If you have any questions, please have your staff contact Cheryl Young at (415) 744-3598 or at cheryl.young@cms.hhs.gov.

Sincerely,

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

cc: Jessica Schubel
HeeYoung Ansell