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**State/Territory Name: Arizona**

**State Plan Amendment (SPA) #: 14-003**

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

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**

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July 28, 2014

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

Dear Mr. Betlach:

We have reviewed the proposed State Plan Amendment (SPA) 14-003, which was submitted to the Centers for Medicare & Medicaid Services San Francisco Regional Office on January 31, 2014. This SPA adds limited orthotics coverage of halos, walking boots, and knee orthotics as part of the prosthetics benefit described in Attachment 3.1-A Limitations.

Based on the information provided, we are approving SPA 14-003 with an effective date of October 1, 2014. We are enclosing the approved Form CMS-179 and the following Medicaid state plan page:

- Attachment 3.1-A Limitations, page 9

If you have any additional questions or need further assistance, please contact Cheryl Young at (415) 744-3598 or [cheryl.young@cms.hhs.gov](mailto:cheryl.young@cms.hhs.gov).

Sincerely,

/s/

Hye Sun Lee  
Acting Associate Regional Administrator  
Division of Medicaid & Children's Health Operations

cc: Cheryl Young  
HeeYoung Ansell



**12. Prescribed drugs, dentures, and prosthetic devices; and eyeglasses prescribed by a physician skilled in diseases of the eye or by an optometrist.**

**12a. Prescribed drugs.**

Medicare Part D drugs are not covered for full benefit dual eligible members, as coverage is provided through Medicare Part D PDPs and MAPDs

Prescription drugs for covered transplantation services shall be provided in accordance with AHCCCS transplantation policies.

AHCCCS only covers over-the-counter medications in place of a covered prescription medication that is clinically appropriate, equally safe and effective, and less costly than the covered prescription medication.

In compliance with Section 1927(b) of the Social Security Act (the Act), the State collects drug rebates in accordance with established policy for drug rebate agreements as provided in Exhibit 12(a) to Attachment 3.1-A.

**12c. Prosthetic devices.**

Prosthetic devices are limited to devices prescribed by a physician or other licensed practitioner to artificially replace missing, deformed or malfunctioning portions of the body and which are medically necessary to the rehabilitation of the member.

Covered prosthetic devices for members age 21 and older do not include hearing aids, cochlear implants, bone anchored hearing aids, insulin pumps, percussive vests, microprocessors for controlled joints for the lower limbs in addition to microprocessor-controlled joints for the lower limbs, penile implants, and vacuum devices.

Orthotic devices, which are defined as devices that are prescribed by a physician or other licensed practitioner of the healing arts to support a weak or deformed portion of the body, are not covered except under the following circumstances: Halos to treat cervical fracture instead of surgery; Walking boots instead of surgery or serial casting; Knee orthotics for crutch dependent ambulation instead of a wheelchair.

**12d. Eyeglasses.**

Eye examinations for prescriptive lenses and the provision of prescriptive lenses under EPSDT services.

Adult services are limited to eyeglasses and contact lenses as the sole prosthetic device after a cataract extraction.

**13. Other diagnostic, screening, preventive, and rehabilitative services, i.e., other than those provided elsewhere in the plan.**

**13a. Diagnostic Services.**

Genetic testing is not covered unless the results of the genetic tests are necessary to differentiate between treatment options. Genetic testing is not covered to determine specific diagnoses or syndromes when such determination would not definitively alter the medical treatment of the member.