Table of Contents

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

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.

Sincerely,

/s/

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

cc: Cheryl Young HeeYoung Ansell

| TRANSMITTAL AND NOTICE OF APPROVAL OF | 1. TRANSMITTAL NUMBER: | 2. STATE |
|--|--|---|
| STATE PLAN MATERIAL | 14-003 | Arizona |
| | 2 PROCE AN IDENTIFICATION TITLE VIV OF THE | |
| FOR: Centers for Medicare and Medicaid Services | 3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID) | |
| TO: REGIONAL ADMINISTRATOR | 4. PROPOSED EFFECTIVE DATE | |
| CENTERS FOR MEDICARE AND MEDICAID SERVICES | TBD | |
| DEPARTMENT OF HEALTH AND HUMAN SERVICES | October 1, 2014 | |
| 5. TYPE OF PLAN MATERIAL (Check One): | | |
| ☐ NEW STATE PLAN ☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN ☒ AMENDMENT | | |
| COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment) | | |
| 6. FEDERAL STATUTE/REGULATION CITATION: | 7. FEDERAL BUDGET IMPACT: | |
| Section 1905(a) of the Social Security Act | FFY 2014: <u>None</u> . | |
| | FFY 2015: <u>None</u> . | |
| 8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: | 9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION | |
| Attachment 3.1-A, Limitations pages 9 | OR ATTACHMENT (If Applicable): | |
| Attachment 3.1-A, Emittations pages 9 | Attachment 3.1-A, Limitations, page 9 | |
| | Attachment 3.1-A, Limitations, page 9 | |
| | | |
| | | |
| 10. SUBJECT OF AMENDMENT: | | |
| | | |
| Revises the State Plan to reflect updates to the orthotic benefit | | |
| | | |
| | | |
| 11. GOVERNOR'S REVIEW (Check One): GOVERNOR'S OFFICE REPORTED NO COMMENT | ☑ OTHER, AS SPEC | HELED. |
| COMMENTS OF GOVERNOR'S OFFICE ENCLOSED | ☑ OTHER, AS SPEC | IFIED: |
| NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL | | |
| | | |
| 12. SIGNATURE OF STATE AGENCY OFFICIAL: | 16. RETURN TO: | |
| | Marian Cauru | |
| | Monica Coury 801 E. Jefferson, MD#4200 | |
| 13. TYPED NAME: | Phoenix, Arizona 85034 | |
| Monica Coury | | |
| 14. TITLE: | | |
| Assistant Director | | |
| 15. DATE SUBMITTED: | | |
| January 31, 2014 | | |
| FOR REGIONAL OFFICE USE ONLY | | |
| | | da Markan en ja singa disa menilingkin di kalabaran ang kinangan andan ang ang ang ang ang ang ang ang ang a |
| 17. DATE RECEIVED: | 18. DATE APPROVED: | Andread and the second |
| 17. DATE RECEIVED: January 31, 2014 | 18. DATE APPROVED: July 28, 2014 | |
| 17. DATE RECEIVED: January 31, 2014 PLAN APPROVED – ON | 18. DATE APPROVED: July 28, 2014 E COPY ATTACHED | FICIAL: |
| 17. DATE RECEIVED: January 31, 2014 | 18. DATE APPROVED: July 28, 2014 | FICIAL: |
| 17. DATE RECEIVED: January 31, 2014 PLAN APPROVED – ON 19. EFFECTIVE DATE OF APPROVED MATERIAL: | 18. DATE APPROVED: July 28, 2014 E COPY ATTACHED 20. SIGNATURE OF REGIONAL OF /s/ 22. TITLE: Acting Associate Administ | trator, Division of |
| 17. DATE RECEIVED: January 31, 2014 PLAN APPROVED – ON 19. EFFECTIVE DATE OF APPROVED MATERIAL: October 1, 2014 21. TYPED NAME: Hye Sun Lee | 18. DATE APPROVED: July 28, 2014 E COPY ATTACHED 20. SIGNATURE OF REGIONAL OF /s/ | trator, Division of |
| 17. DATE RECEIVED: January 31, 2014 PLAN APPROVED – ON 19. EFFECTIVE DATE OF APPROVED MATERIAL: October 1, 2014 21. TYPED NAME: Hye Sun Lee 23. REMARKS: | 18. DATE APPROVED: July 28, 2014 E COPY ATTACHED 20. SIGNATURE OF REGIONAL OF /s/ 22. TITLE: Acting Associate Administ Medicaid & Children's Health Operation | trator, Division of ons |
| 17. DATE RECEIVED: January 31, 2014 PLAN APPROVED – ON 19. EFFECTIVE DATE OF APPROVED MATERIAL: October 1, 2014 21. TYPED NAME: Hye Sun Lee 23. REMARKS: Box 1: Pen & ink change to renumber SPA to be consistent with the year | 18. DATE APPROVED: July 28, 2014 E COPY ATTACHED 20. SIGNATURE OF REGIONAL OF /s/ 22. TITLE: Acting Associate Administ Medicaid & Children's Health Operation it was submitted: 14-001. State agreed to | trator, Division of ons |
| 17. DATE RECEIVED: January 31, 2014 PLAN APPROVED – ON 19. EFFECTIVE DATE OF APPROVED MATERIAL: October 1, 2014 21. TYPED NAME: Hye Sun Lee 23. REMARKS: Box 1: Pen & ink change to renumber SPA to be consistent with the year dated 1/17/14 and also per AZ written response to informal questions dat | 18. DATE APPROVED: July 28, 2014 E COPY ATTACHED 20. SIGNATURE OF REGIONAL OF /s/ 22. TITLE: Acting Associate Administ Medicaid & Children's Health Operation it was submitted: 14-001. State agreed to ed 3/19/14. | crator, Division of ons CMS change via email |
| 17. DATE RECEIVED: January 31, 2014 PLAN APPROVED – ON 19. EFFECTIVE DATE OF APPROVED MATERIAL: October 1, 2014 21. TYPED NAME: Hye Sun Lee 23. REMARKS: Box 1: Pen & ink change to renumber SPA to be consistent with the year dated 1/17/14 and also per AZ written response to informal questions dat Box 7: Pen & ink change that this SPA has no budget impact per AZ writen. | 18. DATE APPROVED: July 28, 2014 E COPY ATTACHED 20. SIGNATURE OF REGIONAL OF /s/ 22. TITLE: Acting Associate Administ Medicaid & Children's Health Operation it was submitted: 14-001. State agreed to ed 3/19/14. ten response to informal questions dated | crator, Division of ons CMS change via email |
| 17. DATE RECEIVED: January 31, 2014 PLAN APPROVED – ON 19. EFFECTIVE DATE OF APPROVED MATERIAL: October 1, 2014 21. TYPED NAME: Hye Sun Lee 23. REMARKS: Box 1: Pen & ink change to renumber SPA to be consistent with the year dated 1/17/14 and also per AZ written response to informal questions dat | 18. DATE APPROVED: July 28, 2014 E COPY ATTACHED 20. SIGNATURE OF REGIONAL OF /s/ 22. TITLE: Acting Associate Administ Medicaid & Children's Health Operation it was submitted: 14-001. State agreed to ed 3/19/14. ten response to informal questions dated | crator, Division of ons CMS change via email |

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.

TN No. 14-003 Supercedes TN No. 14-002

Approval Date: July 28 2014 Effective Date: October 1, 2014