

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
7500 Security Boulevard, Mail Stop S2-25-26  
Baltimore, Maryland 21244-1850



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## State Demonstrations Group

January 4, 2021

Jami Snyder  
Director  
Arizona Health Care Cost Containment System  
801 East Jefferson Street  
Phoenix, Arizona 85034

Dear Ms. Snyder:

Thank you for your recent application to extend the state's section 1115(a) Medicaid demonstration entitled, "Arizona Health Care Cost Containment System (AHCCCS)," (Project No. 11-W-00275/9). The Centers for Medicare & Medicaid Services (CMS) received Arizona's request on December 22, 2020. We have completed a preliminary review of your request in accordance with 42 CFR 431.412(c) and have determined that the state's application meets these requirements for a complete application.

In light of the national public health emergency concerning COVID-19 and statewide social distancing guidance to prevent its spread, four virtual hearings were held on October 14, October 16, October 21, and November 13, 2020. Such hearings were permissible through CMS authority under 42 CFR 431.416(g)(2) which allows a state to depart from normal public notice procedures as described in section 431.408 due to the unforeseen nature of the public health emergency. Under section 431.416(g)(3), in order for a state to receive an exemption under section 431.416(g)(2), the state must meet three criteria: (i) the state must be acting in good faith, and in a diligent, timely, and prudent manner, (ii) the circumstances must constitute an emergency that could not have been reasonably foreseen; and (iii) it must be the case that a delay would undermine or compromise the purpose of the demonstration and be contrary to the interests of beneficiaries. CMS has determined that the state has met these criteria.

Arizona's application will be posted on Medicaid.gov for a 30-day federal public comment period in accordance with section 42 CFR 431.416(b). During that time, the state's application will be available at: <https://www.medicaid.gov/medicaid/section-1115-demo/demonstration-and-waiver-list/index.html>.

We look forward to working with you and your staff on the proposed demonstration application.

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If you have questions regarding the section 1115 application process, please contact your CMS project officer, Ms. Kelsey Smyth, at [Kelsey.Smyth@cms.hhs.gov](mailto:Kelsey.Smyth@cms.hhs.gov).

Sincerely,

1/4/2021

X Andrea J. Casart

Signed by: Andrea J. Casart -A

Andrea J. Casart  
Director  
Division of Eligibility and Coverage  
Demonstrations

cc: Brian Zolynas, State Lead, Medicaid and CHIP Operations Group