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State/Territory Name: AZ

State Plan Amendment (SPA) #: 21-0011

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 AND HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S2-26-12
Baltimore, MD 21244-1850



Financial Management Group

January 24, 2024

Carmen Heredia, Director
Arizona Health Care Cost Containment System
801 E. Jefferson
Phoenix, AZ 85034

RE: Arizona State Plan Amendment Transmittal Number 21-0011

Dear State Medicaid Director Heredia:

We have reviewed the proposed amendment to Attachment 4.19-A of your Medicaid State plan submitted under transmittal number (TN) 21-0011. This amendment, effective October 1, 2021, updates the Arizona disproportionate share hospital (DSH) pool 5 payment amounts and participant list, for the DSH state plan rate year ending 2022.

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 21-0011 is approved effective October 1, 2021. We are enclosing the CMS-179 and the amended plan pages.



If you have any questions, please contact Mark Wong at (415) 744-3561 or mark.wong@cms.hhs.gov.

Sincerely,

A solid black rectangular box redacting the signature of the sender.

Rory Howe
Director

Enclosures

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: Centers for Medicare and Medicaid Services		1. TRANSMITTAL NUMBER: 21-011	2. STATE Arizona
		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 September 30, 2021 October 1, 2021	
5. TYPE OF PLAN MATERIAL (Check One): <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 (Separate Transmittal for each amendment)			
6. FEDERAL STATUTE/REGULATION CITATION: 42 CFR Part 447, Section 1923 of the Social Security Act		7. FEDERAL BUDGET IMPACT: FFY 2022: \$0-- \$25,890,447 FFY 2023: \$0-----	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.19-A Page 66, 66(a)- 66(b)		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): Attachment 4.19-A Page 66, 66(a)---	
10. SUBJECT OF AMENDMENT: Updates the State Plan to reflect DSH Pool 5 funding and participating hospitals for FY 2022.			
11. GOVERNOR'S REVIEW (Check One): <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: 		16. RETURN TO: Dana Flannery 801 E, Jefferson, MD#4200 Phoenix, AZ 85034	
13. TYPED NAME: Dana Flannery			
14. TITLE: Assistant Director			
15. DATE SUBMITTED: September 27, 2021			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED: September 27, 2021		18. DATE APPROVED: January 24, 2024	
PLAN APPROVED – ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: October 1, 2021		20. SIGNATURE OF REGIONAL OFFICIAL: 	
21. TYPED NAME: Rory Howe		22. TITLE: Director, Financial Management Group	
23. REMARKS: Pen-and-ink changes made to Boxes 4, 6, 7, 8 and 9 by CMS with state concurrence.			

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

Pool 5 - The funding for pool 5 is specified below.

- For SPY 2018, the funding for Pool 5 is the FY 2018 Arizona DSH allotment total computable amount minus \$143,178,200.
- For SPY 2019, the funding for Pool 5 is the FY 2019 Arizona DSH allotment total computable amount minus \$143,178,200.
- For SPY 2020, the funding for Pool 5 is the FY 2020 Arizona DSH allotment total computable amount minus \$143,178,200.
- For SPY 2021, the funding for Pool 5 is the FY 2020 Arizona DSH allotment total computable amount minus \$143,178,200.
- For SPY 2022, the funding for Pool 5 is the FY 2020 Arizona DSH allotment total computable amount minus \$143,178,200.

For SPY 2018, the pool 5 hospitals are:

- Benson Hospital
- Holy Cross Hospital
- Kingman Regional Medical Center
- Little Colorado Medical Center
- Mt. Graham Regional Medical Center
- Northern Cochise Community Hospital
- Page Hospital
- Yuma Regional Medical Center
- Canyon Vista Medical Center
- Banner Payson Medical Center

For SPY 2019, the pool 5 hospitals are:

- Benson Hospital
- Holy Cross Hospital
- Kingman Regional Medical Center
- Little Colorado Medical Center
- Mt. Graham Regional Medical Center
- Northern Cochise Community Hospital
- Page Hospital
- Yuma Regional Medical Center
- Canyon Vista Medical Center
- Banner Payson Medical Center

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

For SPY 2022, the pool 5 hospitals are:Priority Group 1

Benson Hospital	\$606,947
Mt. Graham Regional Medical Center	\$602,530
Yuma Regional Medical Center	\$5,884,826

Priority Group 2

Banner Casa Grande	\$9,866,280
Banner Ironwood Medical	\$4,450,648

Priority Group 3

Abrazo Central Campus	\$124,578
Abrazo Scottsdale Campus	\$325,502
Abrazo West Campus	\$272,848
Banner Estrella Medical	\$2,385,561
Banner- UMC Phoenix Medical Campus	\$3,594,311
Dignity Health AZ General	\$302,967
St. Joseph's Hospital – PHX	\$2,744,701
St. Mary's Hospital	\$318,797
Tucson Medical Center	\$2,492,009

Upon reconciliation, Pool 5 funds will be recouped due to changes in hospital qualification or payment limits; Pool 5 overpayments are not redistributed to other hospitals.