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State/Territory Name: AZ

State Plan Amendment (SPA) #: 22-0015

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
7500 Security Boulevard, Mail Stop S3-14-28
Baltimore, Maryland 21244-1850



Financial Management Group

November 26, 2024

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

RE: Arizona State Plan Amendment Transmittal Number 22-0015

Dear State Medicaid Director Heredia:

The Centers for Medicare & Medicaid Services (CMS) has reviewed the proposed Arizona state plan amendment (SPA) to Attachment 4.19-A AZ-22-0015, which was submitted to CMS on September 27, 2022. This plan amendment updates the Arizona disproportionate share hospital (DSH) pool 5 payment amounts and participant list, for the DSH state plan rate year ending 2023.

We reviewed your SPA submission for compliance with statutory requirements, including in sections 1902(a)(2), 1902(a)(13), 1902(a)(30), 1903 as it relates to the identification of an adequate source for the non-federal share of expenditures under the plan, as required by 1902(a)(2), and 1923 of the Social Security Act and the applicable implementing Federal regulations.

Based upon the information provided by the state, we have approved the amendment with an effective date of October 1, 2022. We are enclosing the approved CMS-179 and a copy of the new state plan pages.

If you have any additional questions or need further assistance, please contact Mark Wong at 415-744-3561 or via email at mark.wong@cms.hhs.gov.

Sincerely,



Rory Howe
Director

Enclosures


**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER 22 - 0015	2. STATE AZ
3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT	
4. PROPOSED EFFECTIVE DATE September 30, 2022 October 1, 2022	
5. FEDERAL STATUTE/REGULATION CITATION 42 CFR Part 447 , Section 1923 of the Social Security Act	6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars) a. FFY 22 23 \$ 0 - 35,590,717 b. FFY: 23 24 \$ 0
7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT Attachment 4.19-A Page 66, 66(a) 66(b)	8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable) Attachment 4.19-A Page 66, 66(a) 66(b)

TO: CENTER DIRECTOR
CENTERS FOR MEDICAID & CHIP SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES

9. SUBJECT OF AMENDMENT
Updates the DSH Pool 5 funding and participating hospitals in the State Plan.

10. GOVERNOR'S REVIEW (Check One)
 GOVERNOR'S OFFICE REPORTED NO COMMENT
 SPECIFIED: COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL
 OTHER, AS

11. SIGNATURE OF STATE AGENCY OFFICIAL


12. TYPED NAME
Dana Flannery

13. TITLE
Assistant Director

14. DATE SUBMITTED: September 27, 2022

15. RETURN TO
Dana Flannery
801 E. Jefferson St., MD # 4200
Phoenix, AZ 85034

FOR CMS USE ONLY

16. DATE RECEIVED
September 27, 2022

17. DATE APPROVED
November 26, 2024

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL
October 1, 2022

19. SIGNATURE OF APPROVING OFFICIAL


20. TYPED NAME OF APPROVING OFFICIAL
Rory Howe

21. TITLE OF APPROVING OFFICIAL
Director, Financial Management Group

22. REMARKS
Pen-and-ink change made to Boxes 4, 5, 6, 7, and 8 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 2021 Arizona DSH allotment total computable amount minus \$143,178,200.
- For SPY 2022, the funding for Pool 5 is the FY 2022 Arizona DSH allotment total computable amount minus \$143,178,200.
- For SPY 2023, the funding for Pool 5 is the FY 2023 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

For SPY 2023, the pool 5 hospitals are:

Priority Group 1

Page Hospital	\$809,720
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Priority Group 2

Banner Casa Grande Medical Center	\$7,350,257
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Priority Group 3

Abrazo Central Campus	\$1,004,813
Banner Estrella Medical	\$7,088,916
St. Joseph's Hospital – PHX	\$3,007,122
Banner – University Med Ctr Phoenix	\$29,797,040
Dignity Health AZ General Hospital	\$332,526

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.