

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
601 E. 12th St., Room 355
Kansas City, Missouri 64106



Medicaid and CHIP Operations Group

October 16, 2024

Carmen Heredia, Director
Arizona Health Care Cost Containment System
801 East Jefferson Street
Phoenix, AZ 85034

Re: Arizona State Plan Amendment (SPA) – 24-0014

Dear Director Heredia:

The Centers for Medicare & Medicaid Services (CMS) reviewed your Medicaid State Plan Amendment (SPA) submitted under transmittal number (TN) 24-0014. This amendment attests to the state's compliance with the third party liability requirements in Section 1902(a)(25)(I) of the Social Security Act.

We conducted our review of your submittal according to statutory requirements in Title XIX of the Social Security Act and implementing regulations. This letter informs you that Arizona's Medicaid SPA TN 24-0014 was approved on October 16, 2024, with an effective date of September 14, 2024.

Enclosed are copies of Form CMS-179 and approved SPA pages to be incorporated into the Arizona State Plan.

If you have any questions, please contact Brian Zolynas at (206) 615-2742 or via email at Brian.Zolynas@cms.hhs.gov.

Sincerely,

James G. Scott, Director
Division of Program Operations

Enclosures

cc: Kyle Sawyer
Max Seifer
Ruben Soliz

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

1. TRANSMITTAL NUMBER 24 — 0014	2. STATE AZ
3. PROGRAM IDENTIFICATION: TITLE <u>19</u> OF THE SOCIAL SECURITY ACT	

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

4. PROPOSED EFFECTIVE DATE
September 14, 2024

5. FEDERAL STATUTE/REGULATION CITATION
1902(a)(25)(l) of the SSA

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)
a. FFY: **2025** \$ **0**
b. FFY: **2026** \$ **0**

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT
Attachment 4.22-B Page 2

8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)
Attachment 4.22-B Page 2

9. SUBJECT OF AMENDMENT
This SPA attests to the Third Party Liability requirements outlined in Section 1902(a)(25)(l) of the Social Security Act.

10. GOVERNOR'S REVIEW (Check One)

GOVERNOR'S OFFICE REPORTED NO COMMENT
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

OTHER, AS SPECIFIED:

11. SIGNATURE OF STATE AGENCY OFFICIAL

12. TYPED NAME
Kyle Sawyer

13. TITLE
Assistant Director, Public Policy and Strategic Planning

14. DATE SUBMITTED: September 27, 2024

15. RETURN TO

Kyle Sawyer
801 E. Jefferson St., MD #4200
Phoenix, AZ 85034

FOR CMS USE ONLY

16. DATE RECEIVED
September 27, 2024

17. DATE APPROVED
October 16, 2024

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL
September 14, 2024

19. SIGN

20. TYPED NAME OF APPROVING OFFICIAL
James G. Scott

21. TITLE OF APPROVING OFFICIAL
Director, Division of Program Operations

22. REMARKS

4.22(d)(3):

Method used for determining billing accumulation as specified in 42 CFR 433.139(f)(3).

Specific member claims must generally total \$250.00, or more, in order for a case to be considered for potential recovery. Claims expenses are accumulated beginning with the date of injury to, whichever occurs first, the last date of treatment or the case is settled.

4.22(d)(4):

The State attests that the Third Party Liability requirements outlined in 1902(a)(25)(E) and 1902(a)(25)(F)(i) of the Social Security Act are met. These requirements are:

1. For the State to apply cost avoidance procedures to claims for prenatal services, including labor, delivery, and postpartum care services;
2. For the State to make payments without regard to potential TPL for pediatric preventive services, unless the state has made a determination related to cost-effectiveness and access to care that warrants cost avoidance for 90 days; and
3. The State's flexibility to make payments without regard to potential TPL for up to 100 days for claims related to child support enforcement beneficiaries.

4.22(d)(5):

The State attests that the Third Party Liability requirements outlined in 1902(a)(25)(I) and State Medicaid Director Letter (SMDL) 23-002 are met.

The State has in effect laws that require third parties to comply with the provisions of 1902(a)(25)(I) of the Social Security Act, including those that require third parties to provide the State with coverage, eligibility and claims data. This includes:

1. Laws that bar liable third parties from refusing payment for an item or service solely on the basis that such item or service did not receive prior authorization under the third-party payer's rules.
2. Laws that require responsible third parties to respond to any inquiry regarding a health care claim that is submitted not later than three years after the provision of such item or service. Third-party payers are required to respond to a state inquiry regarding a health care claim within sixty (60) days of receiving the inquiry.