Melanie Norton, Assistant Director
Arizona Health Care Cost Containment System (AHCCCS)
801 E. Jefferson MD 2600
Phoenix, AZ  85034

Dear Ms. Norton:

I am pleased to inform you that Arizona’s Children’s Health Insurance Program (CHIP) State Plan Amendment (SPA), AZ-13-0002, submitted on October 29, 2013, has been approved. This SPA incorporates the MAGI-based eligibility process requirements, including the single streamlined application, into Arizona’s CHIP State Plan in accordance with the Affordable Care Act. The effective date of this SPA is October 1, 2013.

The approval of SPA AZ-13-0002, includes full approval of your alternative single streamlined application---both the paper and online versions.

Enclosed is a copy of the new state plan pages and attachments to be incorporated within Section 4 of Arizona’s approved CHIP State Plan:

- CS24
- Alternative single, streamlined paper application
- An alternative paper application for multiple human service programs, including health insurance, SNAP, and TANF
- Healthe-Arizona Plus Medical Application Roadmap
- Healthe-Arizona Plus Online Flow Chart
- Key Differences between the Healthe-Arizona Plus online application and the CMS online application

This approval and the attachments supersede the following sections of the current CHIP State Plan:

- Section 4.3: Single, Streamlined Application Screen and Enroll Process
- Section 4.4: Renewals, Screening by Other Insurance Affordability Programs
This approval should not be read to address or resolve issues that may be raised by the HHS Office for Civil Rights (OCR) with respect to Arizona’s Medicaid forms and procedures for processing Medicaid applications. Compliance with Federal civil rights laws is a condition of receipt of Medicaid funding, and is enforced by OCR. CMS sent comments to the state on behalf of OCR on August 09, 2013 and OCR officials met with Arizona State officials to discuss resolution of HHS OCR concerns on August 12, 2013. CMS is happy to provide technical assistance about Medicaid issues during the course of any subsequent discussions. Both CMS and OCR are committed to working together with Arizona to assist the State in presenting Marketplace options in a way that ensures that both Medicaid and civil rights issues are addressed.

CMS appreciates the significant amount of work your staff dedicated to preparing this State Plan Amendment. Your Title XXI project officer is Ms. Tonia Brown. She is available to answer questions concerning this amendment and other CHIP-related issues. Ms. Brown’s contact information is as follows:

Centers for Medicare & Medicaid Services
Center for Medicaid & CHIP Services
Mail Stop: S2-01-16
7500 Security Blvd.
Baltimore, MD 21244-1850
Telephone: (410) 786-8613
Facsimile: (410) 786-5882
E-mail: Tonia.Brown@cms.hhs.gov

Official communications regarding program matters should be sent simultaneously to Ms. Brown and to Ms. Gloria Nagle, Associate Regional Administrator (ARA) in our San Francisco Regional Office. Ms. Nagle’s address is:

Centers for Medicare & Medicaid Services
90 7th Street, Suite 5-300 (5W)
San Francisco, California 94103-6706

If you have additional questions, please contact Linda Nablo, Director, Division of State Coverage Programs at (410) 786-5143.

We look forward to continuing to work with you and your staff.

Sincerely,

Eliot Fishman
Director
cc: Ms. Gloria Nagle, ARA, CMS Region VIII, San Francisco
CHIP Eligibility

Separate Child Health Insurance Program
General Eligibility - Eligibility Processing

2102(b)(3) & 2107(e)(1)(O) of the SSA and 42 CFR 457, subpart C

☑ The CHIP Agency meets all of the requirements of 42 CFR 457, subpart C for application processing, eligibility screening and enrollment.

Application Processing

Indicate which application the agency uses for individuals applying for coverage who may be eligible based on the applicable modified adjusted gross income standard:

☐ The single, streamlined application developed by the Secretary in accordance with section 1413(b)(1)(A) of the Affordable Care Act.

☒ An alternative single, streamlined application developed by the state and approved by the Secretary in accordance with section 1413(b)(1)(B) of the Affordable Care Act.

An attachment is submitted.

An alternative application used to apply for multiple human service programs approved by the Secretary, provided that the agency makes readily available the single or alternative application used only for insurance affordability programs to individuals seeking assistance only through such programs.

An attachment is submitted.

☑ The agency's procedures permit an individual, or authorized person acting on behalf of the individual, to submit an application via the internet website described in CFR 457.340(a), by telephone, via mail, in person and other commonly available electronic means.

The agency accepts applications in the following other electronic means.

☒ Other electronic means:

<table>
<thead>
<tr>
<th>Name of method</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>☒ Fax</td>
<td>An individual can fax an application to the Medicaid or Human Services Agency</td>
</tr>
</tbody>
</table>

Screen and Enroll Process

The CHIP Agency has coordinated eligibility and enrollment screening procedures in place that are applied at time of initial application, periodic redeterminations, and follow-up eligibility determinations. The procedures ensure that only targeted low-income children are provided CHIP coverage and that enrollment is facilitated for applicants found to be potentially eligible for other insurance affordability programs.

 Procedures include:
CHIP Eligibility

- Screening of application to identify all individuals eligible or potentially eligible for CHIP or other insurance affordability programs; and
- Income eligibility test, with calculation of household income consistent with 42 CFR 457.315 for individuals identified as potentially eligible for Medicaid or other insurance affordability programs based on household income; and
- Screening process for individuals who may qualify for Medicaid on a basis other than having household income at or below the applicable MAGI standard, based on information in the single streamlined application.

The CHIP agency has entered into an arrangement with the Exchange to make eligibility determinations for advanced premium tax credits in accordance with section 1943(b)(2) of the SSA.

Redetermination Processing

- Redeterminations of eligibility for individuals whose financial eligibility is based on the applicable modified adjusted gross income standard are performed as follows, consistent with 42 CFR 457.343:
  - Once every 12 months.
  - Without requiring information from the individual if able to do so based on reliable information contained in the individual's account or other more current information available to the agency.

If the agency cannot determine eligibility solely on the basis of the information available to it, or otherwise needs additional information to complete the redetermination, it provides the individual with a pre-populated renewal form containing the information already available.

Screening by Other Insurance Affordability Programs

The CHIP Agency provides assurance that it has adopted procedures to accept and process electronic accounts of individuals screened as potentially eligible for CHIP by other insurance affordability programs in accordance with the requirements of 42 CFR 457.348(b) and to determine eligibility in accordance with 42 CFR 457.340 in the same manner as if the application had been submitted directly to, and processed by the state.

The CHIP Agency elects the option to accept CHIP eligibility decisions made by the Exchange or other agencies administering insurance affordability programs as provided in 42 CFR 457.348 and to furnish CHIP in accordance with requirements of 42 CFR 457.340 to the same extent and in the same manner as if the applicant had been determined by the state to be eligible for CHIP.

The CHIP Agency has entered into an agreement with agencies administering other insurance affordability programs to fulfill the requirements of 457.348(b) and will provide this agreement to the Secretary upon request.

PRA Disclosure Statement

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0938-1148. The time required to complete this information collection is estimated to average 50 hours per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. If you have comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: CMS, 7500 Security Boulevard, Attn: PRA Reports Clearance Officer, Mail Stop C4-26-05, Baltimore, Maryland 21244-1850.

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