

**Janice K. Brewer, Governor**  
**Thomas J. Betlach, Director**

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*Our first care is your health care*  
ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM

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December 10, 2013

Rebecca Bruno  
Centers for Medicare & Medicaid Services  
Division of Medicaid & Children's Health Operations  
90 Seventh Street, Suite 5-300 (5W)  
San Francisco, CA 94103-6707

Dear Ms. Bruno:

Enclosed is Arizona State Plan Amendment (SPA) #13-014, effective October 1, 2014, which updates the State Plan to reflect the elimination of the 25 day inpatient hospital limit.

If you have any questions about the enclosed SPA, please contact Theresa Gonzales at (602) 417-4732.

Sincerely,

A handwritten signature in black ink, appearing to read 'Monica Coury', is written over a light gray circular stamp.

Monica Coury  
Assistant Director  
Office of Intergovernmental Relations

cc: Wakina Scott



All covered services shall be authorized by an appropriate entity or entities except in the case of emergency hospital services and emergency transportation. As provided in AHCCCS' policies and procedures, authorization for medical services shall be obtained from at least one of the following entities: a primary care provider (a licensed physician, physician assistant or certified nurse practitioner) or a physician specialist or dentist, a health plan, a program contractor, a Regional Behavioral Health Authority, an ALTCS case manager affiliated with a program contractor, or the AHCCCS Administration. The appropriate entity shall only authorize medically necessary services subject to the limitations specified below and in compliance with applicable federal and state law and regulations and AHCCCS policies and procedures or other applicable guidelines.

**1. Inpatient hospital services other than those provided in an institution for mental diseases.**

Inpatient hospital services shall be furnished by a licensed and certified hospital.

Inpatient hospital services include services in inpatient psychiatric facilities, provided to EPSDT-eligible persons < 21 years in accordance with 42 CFR 441.150.

Inpatient hospital services for medically necessary abortions only when the pregnancy is the result of an act of rape or incest; or in the case where a woman suffers from a physical disorder, physical injury, or physical illness, including a life-endangering physical condition caused by or arising from the pregnancy itself, that would, as certified by a physician, place the woman in danger of death unless an abortion is performed.

~~Inpatient hospital days covered for adults  $\geq$  21 years of age are limited to 25 days per member per contract year. The 25 day limit excludes;~~

- ~~• Days that qualify for a psychiatric hospital tier and/or days with a primary psychiatric diagnosis code.~~
- ~~• Days associated with transplant services provided through specialty contracts between the Administration and a transplant facility.~~
- ~~• Treatment for burns or burn late effects at an American College of Surgeons verified Burn Center.~~

**2a. Outpatient hospital services.**

Outpatient hospital services are services ordinarily provided in hospitals, clinics, offices and other health care facilities by licensed health care providers.

Outpatient hospital services for medically necessary abortions only when the pregnancy is the result of an act of rape or incest; or in the case where a woman suffers from a physical disorder, physical injury, or physical illness, including a life-endangering physical condition caused by or arising from the pregnancy itself, that would, as certified by a physician, place the woman in danger of death unless an abortion is performed.