DEPARTMENT OF HEALTH & HUMAN SERVICES Centers for Medicare & Medicaid Services San Francisco Regional Office 90 Seventh Street, Suite 5-300 (5W) San Francisco, CA 94103-6706



DIVISION OF MEDICAID & CHILDREN'S HEALTH OPERATIONS

July 28, 2014

Tom Betlach, Director Arizona Health Care Cost Containment System 801 East Jefferson Street Phoenix, AZ 85034

Dear Mr. Betlach:

We have reviewed the proposed State Plan Amendment (SPA) 14-003, which was submitted to the Centers for Medicare & Medicaid Services San Francisco Regional Office on January 31, 2014. This SPA adds limited orthotics coverage of halos, walking boots, and knee orthotics as part of the prosthetics benefit described in Attachment 3.1-A Limitations.

Based on the information provided, we are approving SPA 14-003 with an effective date of October 1, 2014. We are enclosing the approved Form CMS-179 and the following Medicaid state plan page:

• Attachment 3.1-A Limitations, page 9

If you have any additional questions or need further assistance, please contact Cheryl Young at (415) 744-3598 or cheryl.young@cms.hhs.gov.

Sincerely,

/s/

Hye Sun Lee Acting Associate Regional Administrator Division of Medicaid & Children's Health Operations

cc: Cheryl Young HeeYoung Ansell

TRANSMITTAL AND NOTICE OF APPROVAL OF	1. TRANSMITTAL NUMBER:	2. STATE	
STATE PLAN MATERIAL	14-003	Arizona	
FOR: Centers for Medicare and Medicaid Services	3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)		
TO: REGIONAL ADMINISTRATOR	4. PROPOSED EFFECTIVE DATE		
CENTERS FOR MEDICARE AND MEDICAID SERVICES	TBD		
DEPARTMENT OF HEALTH AND HUMAN SERVICES	October 1, 2014		
5. TYPE OF PLAN MATERIAL (Check One):			
□ NEW STATE PLAN □ AMENDMENT TO BE CONSIDERED AS NEW PLAN ☑ AMENDMENT COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)			
6. FEDERAL STATUTE/REGULATION CITATION:	7. FEDERAL BUDGET IMPACT:		
Section 1905(a) of the Social Security Act	FFY 2014: None.		
Section 1703(a) of the Social Security Net	FFY 2015: None.		
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION		
	OR ATTACHMENT (If Applicable):		
Attachment 3.1-A, Limitations pages 9			
	Attachment 3.1-A, Limitations, page 9		
10. SUBJECT OF AMENDMENT:			
TO GOBILET OF ANILHBRIDE.			
Revises the State Plan to reflect updates to the orthotic benefit			
11. GOVERNOR'S REVIEW (Check One):	M		
☐ GOVERNOR'S OFFICE REPORTED NO COMMENT ☐ OTHER, AS SPECIFIED:			
NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL			
12. SIGNATURE OF STATE AGENCY OFFICIAL:	16. RETURN TO:		
	Manian Course		
	Monica Coury 801 E. Jefferson, MD#4200		
12 TVDED NAME:	Phoenix, Arizona 85034		
13. TYPED NAME: Monica Coury	,		
14. TITLE:			
Assistant Director			
15. DATE SUBMITTED:			
January 31, 2014 FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED:	18. DATE APPROVED:		
January 31, 2014	July 28, 2014		
PLAN APPROVED – ON			
19. EFFECTIVE DATE OF APPROVED MATERIAL:	20. SIGNATURE OF REGIONAL OF	FICIAL:	
October 1, 2014	/s/		
21. TYPED NAME: Hye Sun Lee	22. TITLE: Acting Associate Administ		
OO DENADIO	Medicaid & Children's Health Operation	ons	
23. REMARKS: Box 1: Pen & ink change to renumber SPA to be consistent with the year it was submitted: 14-001. State agreed to CMS change via email			
dated 1/17/14 and also per AZ written response to informal questions dated 3/19/14.			
Box 7: Pen & ink change that this SPA has no budget impact per AZ written response to informal questions dated 3/19/14.			
Box 9: Pen & ink change to add the SPA page numbers that are to be superseded per AZ written response to informal questions dated			
3/19/14. Box 4: Pen & ink change to add effective date of 10/1/14 per State/CMS discussion dated 7/22/14 via email			
Likey A: Pen X_1 ink change to add effective date of $10/1/14$ ner State/CMS.	discussion dated 7/22/14 via email		

12. Prescribed drugs, dentures, and prosthetic devices; and eyeglasses prescribed by a physician skilled in diseases of the eye or by an optometrist.

12a. Prescribed drugs.

Medicare Part D drugs are not covered for full benefit dual eligible members, as coverage is provided through Medicare Part D PDPs and MAPDs

Prescription drugs for covered transplantation services shall be provided in accordance with AHCCCS transplantation policies.

AHCCCS only covers over-the-counter medications in place of a covered prescription medication that is clinically appropriate, equally safe and effective, and less costly than the covered prescription medication.

In compliance with Section 1927(b) of the Social Security Act (the Act), the State collects drug rebates in accordance with established policy for drug rebate agreements as provided in Exhibit 12(a) to Attachment 3.1-A.

12c. Prosthetic devices.

Prosthetic devices are limited to devices prescribed by a physician or other licensed practitioner to artificially replace missing, deformed or malfunctioning portions of the body and which are medically necessary to the rehabilitation of the member.

Covered prosthetic devices for members age 21 and older do not include hearing aids, cochlear implants, bone anchored hearing aids, insulin pumps, percussive vests, microprocessors for controlled joints for the lower limbs in addition to microprocessor-controlled joints for the lower limbs, penile implants, and vacuum devices.

Orthotic devices, which are defined as devices that are prescribed by a physician or other licensed practitioner of the healing arts to support a weak or deformed portion of the body, are not covered except under the following circumstances: Halos to treat cervical fracture instead of surgery; Walking boots instead of surgery or serial casting; Knee orthotics for crutch dependent ambulation instead of a wheelchair.

12d. Eyeglasses.

Eye examinations for prescriptive lenses and the provision of prescriptive lenses under EPSDT services.

Adult services are limited to eyeglasses and contact lenses as the sole prosthetic device after a cataract extraction.

13. Other diagnostic, screening, preventive, and rehabilitative services, i.e., other than those provided elsewhere in the plan.

13a. Diagnostic Services.

Genetic testing is not covered unless the results of the genetic tests are necessary to differentiate between treatment options. Genetic testing is not covered to determine specific diagnoses or syndromes when such determination would not definitively alter the medical treatment of the member.

TN No. 14-003 Supercedes TN No. 14-002

Approval Date: July 28 2014 Effective Date: October 1, 2014