April 27, 2018

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) 18-005, which was submitted to the Centers for Medicare & Medicaid Services (CMS) San Francisco Regional Office on March 26, 2018. This SPA adds variances to the personal needs allowance for income garnished for child support and income garnished under a divorce decree.

Based on the information provided, we are approving SPA 18-005 with an effective date of April 1, 2018 as requested. We are enclosing the approved Form CMS-179 and the following Medicaid state plan page:

- Supplement 12a to Attachment 2.6-A, Page 1

If you have any additional questions or need further assistance, please contact Brian Zolynas at (415) 744-3601 or Brian.Zolynas@cms.hhs.gov.

Sincerely,

/s/

Henrietta Sam-Louie
Associate Regional Administrator
Division of Medicaid & Children’s Health Operations

Enclosure:

cc: Jessica Woodard
    Annie Hollis
**TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL**

FOR: Centers for Medicare and Medicaid Services

<table>
<thead>
<tr>
<th>1. TRANSMITTAL NUMBER:</th>
<th>18-005</th>
</tr>
</thead>
<tbody>
<tr>
<td>2. STATE:</td>
<td>Arizona</td>
</tr>
<tr>
<td>3. PROGRAM IDENTIFICATION:</td>
<td>TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)</td>
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</tbody>
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TO: REGIONAL ADMINISTRATOR
CENTERS FOR MEDICARE AND MEDICAID SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES

| 4. PROPOSED EFFECTIVE DATE: | April 1, 2018 |

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: | 42 CFR Part 447 |
| 7. FEDERAL BUDGET IMPACT: |
| FFY 18: | $0 |
| FFY 19: | $0 |

| 8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: | Att. 2.6A Page 1 |
| 9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): | Same |

| 10. SUBJECT OF AMENDMENT: |
| Updates the State Plan to provide personal needs allowances for income garnished for child support or spousal maintenance. |

11. 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

12. SIGNATURE OF STATE AGENCY OFFICIAL:  

Elizabeth Lorenz  
Assistant Director  

13. TYPED NAME:  
Elizabeth Lorenz  

14. TITLE:  
Assistant Director  

15. DATE SUBMITTED:  
3/26/18  

16. RETURN TO:  
Elizabeth Lorenz  
801 E. Jefferson, MD#4200  
Phoenix, Arizona 85034  

FOR REGIONAL OFFICE USE ONLY

| 17. DATE RECEIVED: | March 26, 2018 |
| 18. DATE APPROVED: | April 27, 2018 |

PLAN APPROVED – ONE COPY ATTACHED

| 19. EFFECTIVE DATE OF APPROVED MATERIAL: | April 1, 2018 |
| 20. SIGNATURE OF REGIONAL OFFICIAL: |
| /s/ |

21. TYPED NAME:  
Henrietta Sam-Louie  

22. TITLE:  
Associate Regional Administrator  
Division of Medicaid and Children's Health Operations  

23. REMARKS:  
Pen-and-ink changes to Box 8.
STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: ARIZONA

VARIATIONS FROM THE BASIC PERSONAL NEEDS ALLOWANCE

For individuals with greater need, the following allowances are provided:

1. Individuals who have received institutional services less than 30 days:
   300% of the Federal Benefit Rate (allowed by waiver)

2. Individuals receiving HCBS:
   300% of the Federal Benefit Rate (as allowed by 42 CFR 435.726 and the 1115 waiver which allows the State to provide HCBS to individuals whose income does not exceed 300% of SSI.)

3. Income garnished for child support under a court order, including administrative fees garnished for collection efforts, but only to the extent that the amount garnished is not deducted as a monthly allowance for the dependent under any other provision of the post-eligibility process. The allowance given shall not exceed the actual garnishment paid in the month for which the PNA is calculated;

4. Income garnished for spousal maintenance under a judgment and decree for dissolution of marriage, including administrative fees garnished for collection efforts. The allowance given shall not exceed the actual garnishment paid in the month for which the PNA is calculated

TN No. 18-005
Supersedes TN No. 07-010
Approval Date: April 27, 2018
Effective Date: April 1, 2018