July 31, 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) 18-006, which was submitted to the Centers for Medicare & Medicaid Services (CMS) San Francisco Regional Office on June 7, 2018. This SPA updates the Asset Verification System (AVS) section of the State Plan to reflect Arizona’s election to join a consortium of several states to develop an AVS.

Based on the information provided, we are approving SPA 18-006 with an effective date of May 1, 2018 as requested. We are enclosing the approved Form CMS-179 and the following Medicaid state plan pages:

- Supplement 16 to Attachment 2.6-A, pages 2-3

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/

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

Enclosure:
## TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL

**FOR: Centers for Medicare and Medicaid Services**

**TO: REGIONAL ADMINISTRATOR**

CENTERS FOR MEDICARE AND MEDICAID SERVICES

DEPARTMENT OF HEALTH AND HUMAN SERVICES

1. **TRANSMITTAL NUMBER:** 18-006

2. **STATE:** Arizona

3. **PROGRAM IDENTIFICATION:** TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)

4. **PROPOSED EFFECTIVE DATE:** May 1, 2018

5. **TYPE OF PLAN MATERIAL (Check One):**
   - [ ] NEW STATE PLAN
   - [ ] AMENDMENT TO BE CONSIDERED AS NEW PLAN
   - [x] AMENDMENT

6. **FEDERAL STATUTE/REGULATION CITATION:**
   - Section 1940 of the Social Security Act
   - 42 CFR Part 447

7. **FEDERAL BUDGET IMPACT:**
   - FFY 18: $0
   - FFY 19: $528,300

8. **PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:**
   - Supplement 16 to Attachment 2.6-A, Pages 2-3
   - Att. 2.6A Pages 1-3

9. **PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable):**
   - Same

10. **SUBJECT OF AMENDMENT:**

    Updates the State Plan to describe AHCCCS acquisition of an Asset Verification system through the NESCO consortium

11. **GOVERNOR’S REVIEW (Check One):**

    - [x] 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:**

    [Signature]

13. **TYPED NAME:**

    Elizabeth Lorenz

14. **TITLE:**

    Assistant Director

15. **DATE SUBMITTED:**

    6/7/18

16. **RETURN TO:**

    Elizabeth Lorenz
    801 E. Jefferson, MD#4200
    Phoenix, Arizona  85034

17. **DATE RECEIVED:**

    June 7, 2018

18. **DATE APPROVED:**

    July 31, 2018

**FOR REGIONAL OFFICE USE ONLY**

19. **EFFECTIVE DATE OF APPROVED MATERIAL:**

    May 1, 2018

20. **SIGNATURE OF REGIONAL OFFICIAL:**

    [Signature]

21. **TYPED NAME:**

    Hye Sun Lee

22. **TITLE:**

    Acting Associate Regional Administrator
    Division of Medicaid and Children’s Health Operations

23. **REMARKS:**

    Pen-and-ink changes to Boxes 6 and 8

---

**FORM HCFA-179 (07-92)**
STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Arizona

ASSET VERIFICATION SYSTEM

2. System Development
   
   __ A. The agency itself will develop an AVS.
      
      In 3 below, provide any additional information the agency wants to include.
   
   __ B. The agency will hire a contractor to develop an AVS.
      
      In 3 below provide any additional information the agency wants to include.
   
   __X C. The agency will be joining a consortium to develop an AVS.
      
      In 3 below, identify the States participating in the consortium. Also, provide any other information the agency wants to include pertaining to how the consortium will implement the AVS requirements.
   
   __ D. The agency already has a system in place that meets the requirements for an acceptable AVS.
      
      In 3 below, describe how the existing system meets the requirements in Section 1.
   
   __ E. Other alternative not included in A. – D. above.
      
      In 3 below, describe this alternative approach and how it will meet the requirements in Section 1.
STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Arizona

ASSET VERIFICATION SYSTEM

3. Provide the AVS implementation information requested for the implementation approach checked in Section 2, and any other information the agency may want to include.

AHCCCS will be joining the NESCO consortium with Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, and Vermont to obtain an Asset Verification System.