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State/Territory Name: Arizona

State Plan Amendment (SPA) #: 24-0010

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form/Summary Form (with 179-like data)
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES

Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S2-26-12
Baltimore, Maryland 21244-1850



Financial Management Group

August 6, 2026

Roberta Harrison
Interim State Medicaid Director
Arizona Health Care Cost Containment System
801 E. Jefferson Street
Phoenix, AZ 85034

RE: TN 24-0010

Dear Roberta Harrison:

The Centers for Medicare & Medicaid Services (CMS) has reviewed the proposed Arizona state plan amendment (SPA) to Attachment 4.19-A AZ 24-0010, which was submitted to CMS on September 20, 2024. The amendment updates the Arizona disproportionate share hospital (DSH) pool 5 payment amounts and participant list, for the DSH state plan rate year ending 2025.

We reviewed your SPA submission for compliance with statutory requirements, including in sections 1902(a)(2), 1902(a)(13), 1902(a)(30), and 1903 as it relates to the identification of an adequate source for the non-federal share of expenditures under the plan, as required by 1902(a)(2) of the Social Security Act and the applicable implementing Federal regulations.

Based upon the information provided by the state, we have approved the amendment with an effective date of October 1, 2024. We are enclosing the approved CMS-179 and a copy of the new state plan page.

If you have any additional questions or need further assistance, please contact Diana Dinh at 670-290-8857 or via email at diana.dinh@cms.hhs.gov.

Sincerely,

A handwritten signature in black ink that reads "Rory Howe". The signature is written in a cursive, flowing style.

Rory Howe
Director
Financial Management Group

Enclosures

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER

24 — 0010

2. STATE

AZ3. PROGRAM IDENTIFICATION: TITLE 19 OF THE
SOCIAL SECURITY ACTTO: CENTER DIRECTOR
CENTERS FOR MEDICAID & CHIP SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES4. PROPOSED EFFECTIVE DATE
October 1, 20245. FEDERAL STATUTE/REGULATION CITATION
42 CFR Part 447**Section 1923 of the Social Security Act**6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)
a FFY: **2025** \$ **7,623,271.48**

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Attachment 4.19-A Page 66, ~~66(a)(i)~~ 66(b)(i)8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION
OR ATTACHMENT (If Applicable)**Attachment 4.19-A Page 66, ~~66(a)(i)~~ 66(b)(i)**

9. SUBJECT OF AMENDMENT

Updates the DSH Pool 5 funding and participating hospitals in the State Plan.

10. 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



OTHER, AS SPECIFIED:

11. SIGNATURE OF STATE AGENCY OFFICIAL



15. RETURN TO

Kyle Sawyer
801 E. Jefferson St., MD #4200
Phoenix, AZ 8503412. TYPED NAME
Kyle Sawyer13. TITLE
Assistant Director, Public Policy and Strategic Planning

14. DATE SUBMITTED: September 20, 2024

FOR CMS USE ONLY16. DATE RECEIVED
September 20, 202417. DATE APPROVED
August 6, 2026**PLAN APPROVED - ONE COPY ATTACHED**18. EFFECTIVE DATE OF APPROVED MATERIAL
October 1, 2024

19. SIGNATURE OF APPROVING OFFICIAL

20. TYPED NAME OF APPROVING OFFICIAL
Rory Howe21. TITLE OF APPROVING OFFICIAL
Director, FMG

22. REMARKS

Pen-and-ink change made to Box 5, 7, 8 by CMS with state concurrence

STATE OF ARIZONA
METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES
INPATIENT HOSPITAL CARE

Pool 5

The funding for pool 5 is specified below.

- For SPY 2018, the funding for Pool 5 is the FY 2018 Arizona DSH allotment total computable amount minus \$143,178,200.
- For SPY 2019, the funding for Pool 5 is the FY 2019 Arizona DSH allotment total computable amount minus \$143,178,200.
- For SPY 2020, the funding for Pool 5 is the FY 2020 Arizona DSH allotment total computable amount minus \$143,178,200.
- For SPY 2021, the funding for Pool 5 is the FY 2021 Arizona DSH allotment total computable amount minus \$143,178,200.
- For SPY 2022, the funding for Pool 5 is the FY 2022 Arizona DSH allotment total computable amount minus \$143,178,200.
- For SPY 2023, the funding for Pool 5 is the FY 2023 Arizona DSH allotment total computable amount minus \$143,178,200.
- For SPY 2024, the funding for Pool 5 is the FY 2024 Arizona DSH allotment total computable amount minus \$143,178,200.
- For SPY 2025, the funding for Pool 5 is the FY 2025 Arizona DSH allotment total computable amount minus \$143,178,200.

For SPY 2018, the pool 5 hospitals are:

- Benson Hospital
- Holy Cross Hospital
- Kingman Regional Medical Center
- Little Colorado Medical Center
- Mt. Graham Regional Medical Center
- Northern Cochise Community Hospital
- Page Hospital
- Yuma Regional Medical Center
- Canyon Vista Medical Center
- Banner Payson Medical Center

For SPY 2019, the pool 5 hospitals are:

- Benson Hospital
- Holy Cross Hospital
- Kingman Regional Medical Center
- Little Colorado Medical Center
- Mt. Graham Regional Medical Center
- Northern Cochise Community Hospital
- Page Hospital
- Yuma Regional Medical Center
- Canyon Vista Medical Center
- Banner Payson Medical Center

STATE OF ARIZONA
METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES
INPATIENT HOSPITAL CARE

For SPY 2024, the pool 5 hospitals are:

Priority Group 1

None Priority

Group 2

BANNER CASA GRANDE	\$8,621,352.60
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Priority Group 3

ABRAZO CENTRAL CAMPUS	\$7,995,568.92
ABRAZO WEST CAMPUS	\$2,297,793.76
ARIZONA GENERAL HOSPITAL	\$274,678.14
BANNER-UMC PHOENIX CAMPUS	\$14,332,714.33
BANNER ESTRELLA MEDICAL	\$7,701,779.89
DIGNITY HEALTH ARIZONA GENERAL HOSPITAL	\$2,383,974.54
ST JOSEPH'S HOSPITAL-PHX	\$21,537,600.81
TUCSON MEDICAL CENTER	\$8,855,092.02

For SPY 2025, the pool 5 hospitals are:

Priority Group 1

None

Priority Group 2

None

Priority Group 3

ABRAZO CENTRAL CAMPUS	\$5,750,221.19
BANNER OCOTILLO MEDICAL CENTER	\$5,997,769.98

Upon reconciliation, Pool 5 funds will be recouped due to changes in hospital qualification or payment limits; Pool 5 overpayments are not redistributed to other hospitals.