

November 25, 2024

Blake Holt
Division of Medicaid and Children's Health Operations
U.S. Department of Health & Human Services
Centers for Medicare & Medicaid Services
90 Seventh Street, Suite 5-300 (5W)
San Francisco, CA 94103-6707

RE: Arizona SPA # AZ-24-0021, Other Provider Rates

Dear Mr. Holt:

Enclosed is State Plan Amendment (SPA) # AZ-24-0021 Other Provider Rates. This SPA updates these state plan rates effective October 1, 2024.

Tribal Consultation on this SPA occurred on August 5, 2024. The Tribal Consultation presentation is available on the following webpage:

<https://www.azahcccs.gov/AmericanIndians/TribalConsultation/>

Public Notice for this SPA was posted on the following webpages:

https://www.azahcccs.gov/AHCCCS/Downloads/PublicNotices/rates/Final_Public_Notice_Rate_Changes_20241001.pdf

The **Federal Fiscal Impact** of this SPA has been calculated as:

- FFY 2025: \$1,480,400
- FFY 2026: \$1,471,300

Explanation of Federal Fiscal Impact:

The amounts are for FFS only and are the FFP portion only. Arizona took actual FFY 2023 utilization and applied the implemented rate changes from FFY 2024 and the proposed FFY 2025 rate changes to calculate the total anticipated expenditures for FFY 2025 and FFY 2026. Arizona assumed a FMAP of 72.08% for FFY 2025 and a FMAP of 71.64% for FFY 2026. As a result, the federal component is slightly different between the two years.

If there are any questions about the enclosed SPA, please contact Maxwell Seifer at Maxwell.Seifer@azahcccs.gov or 602-417-4722.

Sincerely,



Kyle Sawyer
Assistant Director, Public Policy and Strategic Planning
Arizona Health Care Cost Containment System (AHCCCS)

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

1. TRANSMITTAL NUMBER 24 — 0021	2. STATE AZ
3. PROGRAM IDENTIFICATION: TITLE 19 OF THE SOCIAL SECURITY ACT	

TO: CENTER DIRECTOR
CENTERS FOR MEDICAID & CHIP SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE
October 1, 2024

5. FEDERAL STATUTE/REGULATION CITATION
42 CFR Part 447

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)
a. FFY: **2025** \$ **1,480,400**
b. FFY: **2026** \$ **1,471,300**

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Attachment 4.19-B: page 5c

8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (*If Applicable*)

Attachment 4.19-B: page 5c

9. SUBJECT OF AMENDMENT
Updates the state plan Other Provider Rates, effective October 1, 2024.

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 85034

12. TYPED NAME
Kyle Sawyer

13. TITLE
Assistant Director, Public Policy and Strategic Planning

14. DATE SUBMITTED: November 25, 2024

FOR CMS USE ONLY

16. DATE RECEIVED

17. DATE APPROVED

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL

19. SIGNATURE OF APPROVING OFFICIAL

20. TYPED NAME OF APPROVING OFFICIAL

21. TITLE OF APPROVING OFFICIAL

22. REMARKS

STATE OF ARIZONA
METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES
OTHER TYPES OF CARE

Rate Update:

Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers for other types of care. The agency's fee schedule rates are effective for services provided on or after October 1, 202~~3~~⁴. All rates are published at: <https://www.azahcccs.gov/PlansProviders/RatesAndBilling/FFS/>