

September 27, 2021

Brian Zolynas
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 #21-012, DSH Budget

Dear Mr. Zolynas:

Enclosed is State Plan Amendment (SPA) #21-012, DSH Budget. This SPA updates the State Plan to reflect DSH funding for FY 2022, effective September 30, 2021.

Public Notice for this SPA was posted and is viewable via the following link: <a href="https://www.azahcccs.gov/shared/Downloads/PublicNotices/DSHFY22NOPI.pdf">https://www.azahcccs.gov/shared/Downloads/PublicNotices/DSHFY22NOPI.pdf</a>

Tribal Consultation requirements have been met, with the Tribal Consultation presentation viewable at the following link:

 $\underline{https://www.azahcccs.gov/AmericanIndians/Downloads/Consultations/Meetings/2021/August 12\_2021Quarterly TC.pdf}$ 

If there are any questions about the enclosed SPA, please contact Ruben Soliz at <u>ruben.soliz@azahcccs.gov</u> or 602-417-4355.

Sincerely,

Dana Flannery Assistant Director

Arizona Health Care Cost Containment System (AHCCCS)

CENTERS FOR MEDICARE AND MEDICAID SERVICES		OMB NO. 0938-0193
TRANSMITTAL AND NOTICE OF APPROVAL OF	1. TRANSMITTAL NUMBER:	2. STATE
STATE PLAN MATERIAL	21-012	Arizona
~		
FOR: Centers for Medicare and Medicaid Services	3. PROGRAM IDENTIFICATION: TIT	LE XIX OF THE
FOR: Centers for Medicare and Medicald Services	SOCIAL SECURITY ACT (MEDICA	AID)
	,	<u> </u>
TO: REGIONAL ADMINISTRATOR	4. PROPOSED EFFECTIVE DATE	
CENTERS FOR MEDICARE AND MEDICAID SERVICES	September 30, 2021	
DEPARTMENT OF HEALTH AND HUMAN SERVICES		
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 AME		amendment)
6. FEDERAL STATUTE/REGULATION CITATION:	7. FEDERAL BUDGET IMPACT:	
42 CFR Part 447	FFY 2022: \$0	
	FFY 2023: \$0	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:	9. PAGE NUMBER OF THE SUPERS	EDED PLAN SECTION
	OR ATTACHMENT (If Applicable):	
Attachment 4.19-A		
	Attachment 4.19-A	
Page 65	Page 65	
	1 age 03	
10. SUBJECT OF AMENDMENT:		
Updates the State Plan to reflect DSH funding for FY 2022.		
11. GOVERNOR'S REVIEW (Check One):		
☐ OTHER, AS SPECIFIED:		
COMMENTS OF GOVERNOR'S OFFICE ENCLOSED		
☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL		
	Lac programs	
12. SIGNATURE OF STATE AGENCY OFFICIAL:	16. RETURN TO:	
(1 dt )	Dana Flannery	
	801 E, Jefferson, MD#4200	
	Phoenix, AZ 85034	
	1 Hoemx, 142 03034	
13. TYPED NAME:		
Dana Flannery		
14. TITLE:	1	
Assistant Director		
15. DATE SUBMITTED: September 27, 2021	1	
13. DATE SODWITTED. September 27, 2021		
FOR REGIONAL OFFICE USE ONLY		
17. DATE RECEIVED:	18. DATE APPROVED:	
THE THOUSE THE	TO, DITTE IN THO VED.	
PLAN APPROVED – ONE COPY ATTACHED		
19. EFFECTIVE DATE OF APPROVED MATERIAL:	20. SIGNATURE OF REGIONAL OFF	FICIAL:
THE STATE OF THE TOTAL PROPERTY.	20. STOTATIONE OF RESIDENTED OF	101. HJ.
21. TYPED NAME:	22. TITLE:	
23. REMARKS:		

Attachment 4.19-A Page 65

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

## **DSH Exhibit 3: AHCCCS Disproportionate Share Hospital Payment Methodology Pool Funding Amount**

This Exhibit contains the amount of funding for six pools in the Arizona DSH pool methodology.

For State Plan Year (SPY) 2008 and 2009, funding will be allocated among six pools (pools 1, 1A, 2, 2A, 3, and 4). For SPY 2010, funding will be allocated among seven pools (pools 1, 1A, 2, 2A, 3, 4, and 5). Thereafter, the funding will be allocated among six pools (pools 1, 1A, 2, 2A, 4, and 5).

Pools 1, 1A, 2, 2A, and 3 - Non-governmentally-operated hospitals

The funding for pools 1 and 2 will be sufficient to provide an average payment amount of \$6,000 for all hospitals qualifying for both of the two pools. No hospital in pools 1 or 2 will receive less than \$5,000. Therefore, the amount of funding for pools 1 and 2 will be determined by multiplying the number of hospitals qualifying for pools 1 and 2 by \$6,000.

The funding for pools 1A, 2A and 3 (if applicable) will be derived by subtracting the total amount allocated for pools 1 and 2 from the amount of DSH authorized by the Legislature for nongovernmentally operated hospitals. Beginning SPY 2011, these remaining funds will be split with 15% for Pool 1A and 85% for Pool 2A.

- For SPY 2018, the funding for pools 1, 2, 1A, and 2A will be \$884,800.
- For SPY 2019, the funding for pools 1, 2, 1A, and 2A will be \$884,800.
- For SPY 2020, the funding for pools 1, 2, 1A, and 2A will be \$884,800.
- For SPY 2021, the funding for pools 1, 2, 1A, and 2A will be \$884,800.
- For SPY 2022, the funding for pools 1, 2, 1A, and 2A will be \$884,800.

Pool 4 – Governmentally-operated hospitals

The funding for pool 4 is the amount authorized by the Legislature for governmentally operated hospitals.

- For SPY 2018, the funding for pool 4 is \$142,293,400.
- For SPY 2019, the funding for pool 4 is \$142,293,400.
- For SPY 2020, the funding for pool 4 is \$142,293,400.
- For SPY 2021, the funding for pool 4 is \$142,293,400.

For SPY 2022, the funding for pool 4 is \$142,293,400.

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Effective Date: Oct. 1, 20210 Supersedes Approval Date: \_\_\_\_

TN No. 21-012

TN No. <del>19-008</del> 20-015