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## BIG WIN FOR RESIDENTS AND FACILITIES AS STATE OF ARIZONA CONCEDES TO EXPAND SERVICES ELIGIBLE FOR INCURRED MEDICAL EXPENSE DEDUCTION

The Arizona Healthcare Cost Containment System (AHCCS) has submitted a state plan amendment to CMS that proposes to expand the services eligible for the incurred medical expense (IME) deduction. This basically means that after months of litigation in federal courts with sb2 inc., the state of Arizona admits that it must allow skilled nursing facility residents to deduct expenses such as Medicare Extension Plans (OME), Pre-Eligibility Medicare Expenses (PEME) and Income Deviations. This watershed moment is the result of a federal Arizona court's decision to deny a motion to dismiss involving an sb2 inc. complaint filed on behalf of our clients.

The impact of this precedent-setting decision is starting to reverberate, as the State of Arizona is now the first to take concrete steps acknowledging that both the ADA and Rehabilitation Act establish exceptions to states' claims to be exempt from protecting residents under the 11th Amendment. [Learn more](#) about the arguments we made in this case-arguments that are now conceded by the State of Arizona.

This decision will soon have a direct impact on residents and facilities.

The fact is that your residents do have special rights due to their disabilities. And the ADA and Rehabilitation Act have provisions for both legal fees and compensatory damages when violations of either occur. But to understand the full significance of how this decision can impact your own Medicare/Medicaid Eligibility and Reimbursement issues, just call me directly. We can discuss your specific challenges and how this decision can create a groundswell that drives positive action across many different reimbursement scenarios.

### WHAT

After months of litigation in federal court, AZ admits that it must allow skilled nursing residents to OME/PEME/ Income Deviate!

### WHERE

Arizona



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