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GOVERNOR

*Better Health Care for all Floridians*

THOMAS W. ARNOLD  
SECRETARY

June 30, 2010

Victoria Wachino, Director  
Family and Children's Health Programs Group  
Center for Medicaid, CHIP, and Survey and Certification  
Centers for Medicare and Medicaid Services  
7500 Security Boulevard  
Mail Stop: B2-15-24  
Baltimore, MD 21244

Dear Ms. Wachino:

The Agency for Health Care Administration (Agency), Florida Medicaid respectfully submits a request for extension to Florida Medicaid section 1115 Demonstration project No. 11-W 00206/4 entitled Florida Medicaid Reform Demonstration as directed by the Florida Legislature through Chapter 2010-144, Laws of Florida (also known as Senate Bill 1484), which states:

Section 1. By July 1, 2010, the Agency for Health Care Administration shall begin the process of requesting an extension of the Section 1115 waiver and shall ensure that the waiver remains active and current. The agency shall report at least monthly to the Legislature on progress in negotiating for the extension of the waiver. Changes to the terms and conditions relating to the low-income pool must be approved by the Legislative Budget Commission.

Currently the section 1115 Medicaid Demonstration is operating under the Secretary's authority under section 1115(a) of the Social Security Act (the Act) and is scheduled to expire June 30, 2011. Per legislative direction, the Agency requests the Demonstration be extended for an additional three (3) years. The Agency requests that the Centers for Medicare & Medicaid Services (CMS) review and process the request for renewal under section 1115(e) authority of the Act.

While the Agency has received a letter from CMS on March 15, 2010 suggesting that the request for extension be submitted for review and process under section 1115(a) authority of the Act to allow CMS to take into consideration the many reviews and evaluation of the Demonstration, as well as changes to the Demonstration the State may want to undertake. However, as noted above, the Legislature did not provide for changes in or grant authority to the Agency to request changes to the Demonstration, and, as such, no changes to the Demonstration are being requested. To the extent CMS requires changes to the waiver, the State respectfully requests that



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CMS provide the statutory basis for the changes so that the Agency may transmit the requirement in a monthly update to our Legislature. Furthermore, mandated changes to the Demonstration may be disruptive to beneficiaries and the State will seek to understand such changes.

The Agency understands the review of the extension request under section 1115(e) of the Act to be complete six months after submission of the request. Processing the extension under section 1115(e) of the Act provides the State and CMS with time certainty of the review and approval of the extension and allows the State the opportunity to properly allocate resources and manage the program. Budget certainty for programs operating under the Demonstration will be a priority as the State is facing continuing economic conditions that are projected to result in a budget gap.

The Agency pledges to work cooperatively with CMS in this Demonstration renewal request under section 1115(e) of the Act, and to create mutually agreed upon objectives that enhance service provision and program outcomes. We look forward to the review and approval process.

If you have any questions, please do not hesitate to contact me at (850)412-3603.

Sincerely,



Thomas W. Arnold  
Secretary

TWA/rb  
Enclosure

cc: Mark Pahl, CMS-CO  
Camile Dobson, CMS-CO  
Cheryl Brimage, CMS- RO  
Venesa Johnson Day, CMS-CO  
Jackie Glaze, CMS-RO