

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S2-01-16
Baltimore, Maryland 21244-1850



Center for Medicaid, CHIP and Survey & Certification
Family and Children's Health Programs Group

AUG 17 2010

Mr. Thomas Arnold
Secretary
Florida Agency for Health Care Administration
2727 Mahan Drive, MS #8
Tallahassee, FL 32308

Dear Mr. Arnold:

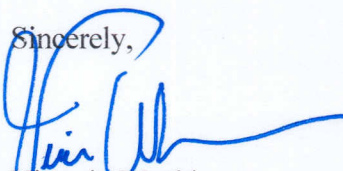
Thank you for Florida's recent request to extend the State's Medicaid Reform section 1115 Demonstration project No. 11-W-00206/4 entitled, "Florida Medicaid Reform."

The purpose of this letter is to inform you that the Centers for Medicare & Medicaid Services (CMS) will review and process the State's request to renew the Reform Demonstration under section 1115(a) authority. This information was previously shared with the State in correspondence dated March 15, 2010, where we stated that the 1115(a) process will permit CMS to take into account issues that have been raised in reviews and evaluations of the demonstration.

The provisions of section 1115(e) of the Social Security Act apply only to the extension of State-wide comprehensive demonstration projects. Because the Reform Demonstration is only operational in five counties, the provisions of section 1115(e) do not apply.

We understand the State Legislature did not provide for changes to, or grant authority to the Agency for Health Care Administration to request changes to the Demonstration. However, processing the State's renewal request under 1115(a) authority will allow CMS to modify the Special Terms and Conditions of the Demonstration, and waiver and expenditure authorities, to address concerns about the Demonstration.

We look forward to working with the State in the coming months toward renewing the Florida Medicaid Reform Demonstration.

Sincerely,

Victoria Wachino
Director

cc: Cindy Mann, Deputy Administrator and Director
Bill Lasowski, Deputy Center Director
Jackie Glaze, Acting Associate Regional Administrator, Atlanta Regional Office