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 and State Operations, Family and Children's Health Programs Group

DEC 0 2 2009

Mr. Phil E. Williams Interim Deputy Secretary for Medicaid Florida Agency for Health Care Administration 2727 Mahan Drive Tallahassee, FL 32308

Dear Mr. Williams:

Thank you for the State's Low Income Pool (LIP) Reimbursement and Funding Methodology document submitted to the Centers for Medicare & Medicaid Services (CMS) on July 17, 2009. The submission of this document is a requirement of the Special Terms and Conditions (STCs) of the Florida Medicaid Reform section 1115 Demonstration. The Demonstration granted Florida the authority to create a LIP to support health care services to Medicaid, underinsured, and uninsured populations.

The submitted Reimbursement and Funding Methodology document includes the methodology used for the distribution of annual LIP funds as provided for in the STCs of the Demonstration. The State has finalized the document in accord with guidance from our National Institutional Reimbursement Team. Therefore, CMS accepts the document as a completed and approved deliverable as described under STCs 93, 97, 98, 100 (a), and 101.

If you have questions regarding this correspondence, please contact your project officer, Mr. Mark Pahl, at (410) 786-1584.

Sincerely,

Maria Red Clarke Cagey

Acting Director