

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S2-26-12
Baltimore, Maryland 21244-1850



September 30, 2013

Mr. Steve Groff
Secretary
Department of Health and Social Services
1901 N. DuPont Highway
New Castle, DE 19720

Dear Mr. Groff:

We are pleased to inform you that Delaware's request to renew its section 1115 Medicaid demonstration project, entitled "Diamond State Health Plan (DSHP)," (project No. 11-W-00036/4) has been approved. CMS approves this demonstration renewal under the authority of section 1115(a) of the Social Security Act (the Act). This renewal is effective as of the date of this approval letter through December 31, 2018. After that date, all waivers and authorities granted to operate this demonstration will expire unless reauthorized.

Our approval of this renewal request is subject to the enclosed Special Terms and Conditions (STCs) and the limitations specified in the list of waivers and expenditure authorities. The state may deviate from the Medicaid state plan requirements only to the extent those requirements have been specifically waived or granted expenditure authority or specified as Title XIX requirements not applicable.

Delaware requested several changes to its demonstration in order to take advantage of the coverage options available for its citizens on January 1, 2014. The following summarizes changes made to the demonstration:

- Extending managed care to those individuals in the new state plan adult group;
- Adding language indicating the new state plan adult group will receive benefits through the state's Medicaid state plan amendment Alternative Benefit Plan, which is effective as of the effective date in the approved state plan;
- Sunsetting the expenditure authority for the Family Planning Expansion Program on December 31, 2013, since individuals in this program will have other coverage options available to them. We will work with you to ensure that these individuals are smoothly transitioned into another insurance program; and

- Removing references to a 2014 transition plan and future DSHP-Plus implementation milestones. This language is no longer relevant since the state submitted its 2014 transition plan and has fully implemented the DSHP-Plus program.

As discussed with you, CMS has determined that your request for a waiver of state wideness is not necessary in order for you to operate this particular demonstration.

The approval is also conditioned upon compliance with the enclosed STCs defining the nature, character, and extent of federal involvement in this project. The state will continue to work with CMS regarding its transition plan to ensure beneficiaries move into their new coverage opportunities on January 1, 2104 without gaps in coverage. This award letter is subject to our receipt of your written acceptance of the award, the STCs, waiver list, and expenditure authority within 30 days of the date of this letter.

Your project officer is Ms. Shanna Wiley. She is available to answer any questions concerning this demonstration project. Ms. Wiley's contact information is as follows:

Centers for Medicare & Medicaid Services
Center for Medicaid & CHIP Services
7500 Security Boulevard, Mailstop: S2-01-16
Baltimore, MD 21244-1850
Telephone: (410) 786-1370
E-mail: Shanna.Wiley@cms.hhs.gov

Official communications regarding program matters should be sent simultaneously to Ms. Wiley and Mr. Francis McCullough, Associate Regional Administrator for the Division of Medicaid and Children's Health in our Philadelphia Regional Office. Mr. McCullough's address is:

Centers for Medicare & Medicaid Services
Division of Medicaid & Children's Health
The Public Ledger Building
Suite 216
150 South Independence Mall West
Philadelphia, PA 19106

We extend our congratulations to you on the approval of this renewal of the demonstration. If you have any questions regarding this correspondence, please contact Mr. Eliot Fishman, Director, Children and Adults Health Programs Group, Center for Medicaid & CHIP Services, (410) 786-5647.

Sincerely,

/s/

Cindy Mann
Director

Page 3 – Mr. Steve Groff

Enclosures

cc: Eliot Fishman, Director, Children and Adults Health Programs Group
Francis McCullough, Associate Regional Administrator, Region III
Sabrina Tillman-Boyd, Philadelphia Regional Office