



EXECUTIVE CHAMBERS  
HONOLULU

NEIL ABERCROMBIE  
GOVERNOR

December 21, 2012

The Honorable Kathleen Sebelius  
Secretary  
U.S. Department of Health and Human Services  
200 Independence Avenue, SW  
Washington, DC 20201

  
Social Security Secretary Sebelius.

RE: SECTION 1115 DEMONSTRATION (11-W-00001/9) RENEWAL APPLICATION

Enclosed is the State of Hawaii's application for a renewal of its Section 1115 Demonstration. For nearly twenty years, the Demonstration has made it possible for the State to provide comprehensive medical assistance to low-income residents of Hawaii, while controlling costs for both the state and federal governments. Hawaii seeks a five-year renewal under the terms and conditions described in its application, which include coverage for low-income adults consistent with the Medicaid expansion, as well as the other programmatic changes specified in the Affordable Care Act. The State requests this renewal under Section 1115(a) of the Social Security Act.

I am a strong supporter of President Obama and the Affordable Care Act (ACA). Hawaii was the first state to commit to implementing a state-based health insurance exchange and will expand Medicaid eligibility. This renewal application contemplates an effective date of January 1, 2014. However, subject to the approval of the Centers for Medicare & Medicaid Services, Hawaii requests to implement the changes in this renewal effective October 1, 2013, when it will be required to begin evaluating new applications under the modified adjusted gross income (MAGI) methodology, to facilitate its implementation of ACA requirements.

If you have any questions about this application, please feel free to contact me, or Dr. Kenneth S. Fink, Administrator of the Med-QUEST Division, at 808-692-8050 or [KFink@medicaid.dhs.state.hi.us](mailto:KFink@medicaid.dhs.state.hi.us).

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Page 2

Thank you for your consideration of this application.

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NEL ABERCROMBIE  
Governor, State of Hawaii

Enclosures

- c: Marilyn Tavenner, Acting Administrator, Centers for Medicare & Medicaid Services
- Cindy Mann, Director, Center for Medicaid and CHIP Services
- Victoria Wachino, Children and Adults Health Programs Group