



Eric Holcomb, Governor
State of Indiana

Office of Medicaid Policy and Planning
MS 07, 402 W. WASHINGTON STREET, ROOM W382
INDIANAPOLIS, IN 46204-2739

November 29, 2017

Shanna Janu
Centers for Medicare & Medicaid Services
Center for Medicaid & CHIP Services
Division of State Demonstrations and Waivers
7500 Security Boulevard, Mailstop: S2-01-16
Baltimore, MD 21244-1850

Dear Ms. Janu,

The Office of Medicaid Policy and Planning (OMPP) is submitting this request to amend Indiana's 1115 HIP 2.0 waiver to allow for POWER account contributions on a tiered basis. This change is requested to be effective January 1, 2018 through January 31, 2018 when the current waiver approval expires.

While OMPP is currently having discussions with your office on a full extension of the Healthy Indiana Plan renewal waiver and amendment which we submitted back in January and July of this year, we are in the situation where immediate approval of the tiers is necessary. As will be explained below, implementation of the tiers will roll-out in December and thus we cannot wait on full waiver approval before proceeding. We sincerely appreciate your consideration of this request.

Explanation of tiers

The current HIP waiver requires HIP Plus members to contribute 2% of income to their POWER account monthly. For purposes of easing administrative burden and to facilitate member compliance with POWER account contributions, the State's July submission requested the authority to realign POWER account contributions to pre-defined income tiers that are roughly equivalent to 2% income across each income tier. This change overall results in savings for HIP members, and more assurance that their POWER account contribution amount will not change on a month to month basis due to minor changes in income.

As part of the renewal request public comment period, the state took comments on this change and multiple comments were received which were supportive of the State realigning POWER account contributions to pre-defined income tiers. Commenters indicated this will ease administrative burdens on members by offering greater predictability and reduced fluctuations in



monthly contribution amounts. A commenter also indicated this new policy will assist members who opt to make an annual upfront contribution.

Action required

Due to the strong stakeholder support for this change and the verbal communication from your office that this change would be acceptable, OMPP has communicated to stakeholders that this change *takes effect for the POWER account contribution payments due for January 2018*. As POWER account contributions are invoiced in advance of the coverage month, the state needs authority to make this change by **December 1, 2017**. As such, OMPP requests immediate CMS approval to change members' POWER accounts from a precise 2% of income amount, to the following flat POWER account tiered amount based on FPL that is roughly 2% of income for the tier. These amounts will be effective beginning with the January 2018 coverage month.

Monthly PAC Amounts

FPL	Monthly PAC Single Individual
<22%	\$1.00
23-50%	\$5.00
51-75%	\$10.00
76-100%	\$15.00
101-138%	\$20.00

Thank you in advance for your attention to this request, and thank you for your assistance and support over the last several months. We look forward to resolving this issue and then continuing our work together on the HIP waiver and amendment request. Please contact me with any questions at (317) 234-8725.

Sincerely,

Allison Taylor
Indiana Medicaid Director

cc: Andrea Casart, Director, Division of Medicaid Expansion Demonstrations
Ruth Hughes, Associate Regional Administration
Jennifer Maslowski, Division of Medicaid & Children's Health Operations, Region V
Jennifer Walthall, Secretary, Indiana Family and Social Services Administration