

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



State Demonstrations Group

JUL 11 2017

Daniel Tsai
Assistance Secretary, MassHealth
Executive Office of Health and Human
Services
One Ashburton Place
Boston, MA 02108
617-573-1770

Dear Mr. Tsai:

The Centers for Medicare & Medicaid Services (CMS) received Massachusetts' request to amend its section 1115(a) Medicaid demonstration, entitled "MassHealth" (Project Number 11-W-00030/1) on June 26, 2017. With this amendment request, the Commonwealth seeks to make several program changes related to the alignment of Medicaid coverage with market coverage, discontinuing provisional eligibility for specific adult applicants, and continuing coverage for former foster care youth through the demonstration.

The MassHealth Special Terms and Conditions (STCs) outline specific elements that are required to be in a demonstration amendment request in order for CMS to determine that the request is complete for purposes of initiating the federal review process. Therefore, we have completed a preliminary review of your amendment request in accordance with STC 7 and determined that the state's amendment request has not met the requirements for a complete amendment request. As discussed with members of your staff, the specific elements missing from the Commonwealth's amendment request are as follows:

1. A data analysis which identifies the specific "with waiver" impact of the proposed amendment on the current budget neutrality agreement. Such analysis must include current total computable "with waiver" and "without waiver" status on both a summary and detailed level through the current extension approval period using the most recent actual expenditures, as well as summary and detailed projections of the change in the "with waiver" expenditure total as a result of the proposed amendment which isolates the impact of the amendment by eligibility group.

The budget neutrality assessment submitted was not based on the current budget neutrality agreement approved by CMS on November 4, 2016. The analysis also did not break-out costs by "with waiver" and "without waiver" or by impacted eligibility group. Additionally, a detailed description of the data sources, data assumptions, and cost

projections used to determine how this amendment will or will not impact the "with waiver" expenditures for each eligibility group must be provided.

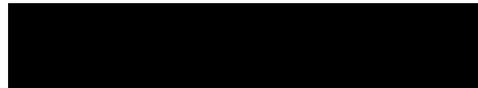
2. A description of how the evaluation design will be modified to incorporate the amendment provision.

The amendment request only included a statement that Massachusetts will integrate changes related to this amendment request in its draft evaluation design. Please submit a revised draft evaluation design that identifies the research questions and hypotheses related to this proposed amendment and how the commonwealth plans to evaluate these hypotheses.

At this time, we will not begin our 30-day federal public comment and notice process. When the state submits a revised amendment application that includes the missing elements as described above, CMS will conduct another preliminary review to determine if the revised request is complete in accordance with STC 7.

We look forward to continuing to work with you and your team and are available to provide technical assistance as you revise this amendment request. If you have additional questions or concerns, please contact your CMS project officer, Eli Greenfield at (410) 786-6157, or by email at Eli.Greenfield@cms.hhs.gov.

Sincerely,



Angela D. Garner
Director
Division of System Reform Demonstrations

cc: Richard McGreal, Associate Regional Administrator, CMS Boston Regional Office