

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



December 23, 2013

Mr. Steven Costantino
Secretary
Rhode Island Office of Health and Human Services
600 New London Avenue
Cranston, RI 02920

Dear Mr. Costantino:

I am writing to inform you that Rhode Island's renewal of the Comprehensive 1115 Demonstration (Project Number 11-W-00242/1) has been approved by the Centers for Medicare & Medicaid Services (CMS) in accordance with section 1115(a) of the Social Security Act (the Act). The accompanying special terms and conditions (STCs), waivers and expenditure authorities are effective as of the date of this letter and ending December 31, 2018.

This renewal allows the state to sustain and improve its ability to provide access to affordable health insurance coverage by making changes to the demonstration that conform to the new coverage opportunities created under the Affordable Care Act. Additionally, this renewal expands the state's home and community based services (HCBS) and converts the demonstration's budget neutrality model from an aggregate cap to a per member per month model.

This letter grants 1115(a)(2) expenditure authority effective for costs incurred for the period January 1, 2014 through April 30, 2014 by a state-funded program to ensure temporary continued limited supplemental benefits for individuals who were previously eligible and enrolled as of December 31, 2013, in Budget Populations 16, 18, and 19 authorized under Medicaid demonstration project authority. The state will take administrative action (requiring no beneficiary action) so that such individuals will no longer be eligible and receiving services through the demonstration and will instead receive short-term supplemental benefits under the state program. This short-term limited benefit coverage will enable such individuals to make an orderly transition to other coverage options. While this approval provides authority through April 30, 2014, the state should make every effort to assist such individuals to obtain health care coverage through the new adult group in Medicaid and the Marketplace no later than March 31, 2014. The additional authorized period from April 1, 2014 through April 30, 2014 should be in effect only for the small number of individuals who apply for Marketplace coverage in March 2014, but who are unable to pay Marketplace premiums until after the deadline date for such coverage to be made effective on April 1, 2014. In addition, the state assures that no federal funds will be claimed for state transition program expenditures for individuals whose enrollment in other coverage options has become effective.

At this time CMS is continuing to collaborate with the state on the review of the state's requests related to a new Delivery System Reform Incentive Payments program and various benefit changes related to home and community based services and other targeted programs.

Our approval of this demonstration project is subject to the limitations specified in the enclosed lists of waiver and expenditure authorities. The state may deviate from Medicaid state plan requirements only to the extent those requirements have been specifically waived or, with respect to expenditure authorities, listed as not applicable to expenditures for demonstration populations and other services not covered under the state plan.

This demonstration approval is conditional upon acceptance and compliance with the enclosed STCs defining the nature, character, and extent of anticipated federal involvement in the project. The award is subject to our receiving your written acknowledgement of the award and acceptance of the STCs, waiver, and expenditure authorities within 30 days of the date of this letter.

Your project officer is Ms. Megan Stacy. She is available to answer any questions concerning your section 1115 demonstration. Ms. Stacy's contact information is as follows:

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
Telephone: (202) 690-7196
Facsimile: (410) 786-5882
E-mail: megan.stacy@cms.hhs.gov

Official communications regarding program matters should be sent simultaneously to Ms. Stacy and to Mr. Richard McGreal, Associate Regional Administrator for the Division of Medicaid and Children's Health Operations in our Boston Regional Office. Mr. McGreal's contact information is as follows:

Centers for Medicare & Medicaid Services
JFK Federal Building, Room 2275
Boston, MA 02203-0003

If you have questions regarding this correspondence, please contact Mr. Eliot Fishman, Director, Children and Adults Health Programs Group, Center for Medicaid & CHIP Services, at (410) 786-5647.

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We look forward to continuing to work with you and your staff.

Sincerely,

/s/

Cindy Mann
Director

Enclosures

cc: Eliot Fishman, CMCS
Richard McGreal, Associate Regional Administrator, Region I
Lynn DelVecchio, Boston Regional Office
Megan Stacy, CMCS