

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



December 24, 2013

Michael Hales
Deputy Director
Utah Department of Health
P.O. Box 143101
Salt Lake City, UT 84114

Dear Mr. Hales:

This letter is to inform you that the Centers for Medicare & Medicaid Services (CMS) has approved a temporary extension of Utah's section 1115 Primary Care Network (PCN) demonstration (Project Nos. 11-W-00145/8 and 21-W-00054/8), as amended, in order to not disrupt the coverage currently afforded in Utah as the state continues to consider its coverage options. The PCN demonstration, which will continue to receive federal financial participation at the state's regular federal medical assistance percentage (FMAP), is now set to expire on December 31, 2014.

This letter also amends the PCN demonstration by granting 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 coverage for individuals eligible and enrolled as of December 31, 2013, in coverage through the PCN demonstration as part of Demonstration Population I, but no longer eligible after that date. The state will take administrative action (requiring no beneficiary action) so that individuals in Demonstration Population I who are at or above 100 percent of the federal poverty level (FPL) will no longer be eligible under the demonstration on January 1, 2014 and will instead be enrolled in short-term coverage under the state program. This short-term 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 this population to obtain health care coverage through 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.

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.

CMS approval of the PCN extension is conditioned upon continued compliance with the enclosed revised set of Special Terms and Conditions (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 these STCs within 30 days of the date of this letter. A copy of the revised STCs, waivers and expenditure authorities are enclosed.

Written acceptance should be sent to your project officer for this demonstration, Ms. Shanna Wiley. She is also available to answer any questions concerning your section 1115 demonstration and this extension. Ms. Wiley's contact information is as follows:

Centers for Medicare & Medicaid Services
Center for Medicaid & CHIP Services
Mail Stop: S2-01-16
7500 Security Boulevard
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 to Mr. Richard Allen, Associate Regional Administrator for the Division of Medicaid & Children's Health in the Denver Regional Office. Mr. Allen's contact information is as follows:

Centers for Medicare & Medicaid Services
Division of Medicaid and Children's Health
Colorado State Bank Building
1600 Broadway, Suite 700
Denver, Colorado 80202-4367
Email: Richard.Allen@cms.hhs.gov

I appreciate your efforts working with us to reach this agreement. If you have additional questions, please contact Mr. Eliot Fishman, Director, Children and Adults Health Programs Group (CAHPG), Center for Medicaid & CHIP Services at (410)786-5647.

Sincerely,

/s/

Cindy Mann
Director

Enclosures

Mr. Michael Hales - Page 3 of 3

cc:

Richard Allen, Associate Regional Administrator, Region VIII

Sophia Hinojosa, Denver Regional Office