

State Demonstrations Group

November 7, 2024

Cheryl J. Roberts Medicaid Director Virginia Department of Medical Assistance Services 600 E Broad St Richmond, VA 23219

Dear Director Roberts,

This letter is to inform you that the Centers for Medicare & Medicaid Services (CMS) has approved a temporary extension of the state's section 1115 demonstration titled "Building and Transforming Coverage, Services, and Supports for a Healthier Virginia" (Project Number 11-W-00297/3) to continue negotiations with the state's July 26, 2024 extension application. This demonstration will now expire on December 31, 2025.

CMS's approval is conditioned upon the state's continued compliance with the special terms and conditions (STCs) defining the nature, character, and extent of anticipated federal involvement in the project. The current STCs and expenditure authorities will continue to apply during the temporary extension period of this demonstration. The state's current budget neutrality agreement and per member per month amounts as of Demonstration Year 10 will continue to apply as described in the STCs, until December 31, 2025, or until the demonstration is extended, whichever is sooner.

For this temporary extension period, the state must continue to monitor its demonstration as stipulated in the current STCs. In addition, the state is required to include the temporary extension period in its demonstration evaluation. The state may choose to include the temporary extension period within its summative evaluation for the demonstration approval period beginning January 1, 2020. In this case, the Summative Evaluation Report is due 18 months after the end of the temporary extension period. Alternatively, if CMS approves an extension beyond December 31, 2025, the state may choose to include the temporary extension period in the Evaluation Design and activities of the next full demonstration approval period.

Your CMS project officer for this demonstration is Valisha Andrus. She is available to answer any questions concerning your section 1115 demonstration and can be reached at <u>valisha.andrus@cms.hhs.gov</u>.

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Enclosure

cc: Margaret Kosherzenko, State Monitoring Lead, Medicaid and CHIP Operations Group