



MAR 06 2018

Teri Green  
State Medicaid Director  
Department of Health  
6101 Yellowstone Road, Suite 210  
Cheyenne, Wyoming 82009

Dear Ms. Green:

This letter is in response to Wyoming's December 31, 2015, request for a new demonstration, entitled "Medicaid Tribal Uncompensated Care", under section 1115 of the Social Security Act. Wyoming requested to allow uncompensated care payments to Indian Health Services (IHS) and 638 tribal health providers on its Wind River Reservation, and to receive 100 percent Federal Medical Assistance Percentage (FMAP) for these payments, in order to improve access to care, improve health outcomes, and reduce health disparities affecting the American Indian population. We support the state's goal of improving access and quality of healthcare offered through providers who serve individuals who are American Indian, and appreciate the state's efforts to address the health disparities of uninsured American Indians.

The state proposes to claim 100 percent federal match for uncompensated care costs paid to tribal facilities, with no contribution of non-federal share. As our teams discussed, the Centers for Medicaid & Medicaid Services (CMS) is not able to reimburse these proposed costs at 100 percent federal match, since 100 percent match only applies to *services* received through IHS and tribal facilities, and uncompensated care payments are not services for Medicaid beneficiaries, as referenced under section 1905(b) of the Social Security Act (the Act). An uncompensated care pool could be matched at the state's regular FMAP, with the remainder of the costs covered by the state's non-federal share.

As we described in the State Health Official Letter on February 26, 2016, under section 1905(b) of the Act, the federal government is required to match state expenditures at the FMAP rate, which is 100 percent for state expenditures on behalf of American Indian Medicaid beneficiaries, for covered services "received through" an Indian Health Service facility whether operated by the Indian Health Service or by a Tribe or Tribal organization (as defined in section 4 of the Indian Health Care Improvement Act)." If services are not "received through" an IHS/Tribal facility, and provided to Medicaid beneficiaries, federal financial participation is not available.

We appreciate your commitment to assisting tribal health providers on the Wind River Reservation. CMS staff remain available to continue to explore and provide technical assistance on other options that may be available, either through a section 1115 demonstration or state plan,

which can support the state's goal of improving access to care received through tribal health facilities.

If you have any questions, please contact your project officer, Ms. Valisha Andrus. Ms. Andrus can be reached at [Valisha.Andrus@cms.hhs.gov](mailto:Valisha.Andrus@cms.hhs.gov). We will continue to work with you and your staff on an approvable approach.

Sincerely,



Timothy B. Hill  
Acting Director

cc: Richard Allen, Associate Regional Administrator, CMS Denver Regional Office