

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
JFK Federal Building, Government Center
Room 2275
Boston, Massachusetts 02203



Division of Medicaid and Children's Health Operations / Boston Regional Office

March 26, 2013

John Polanowicz, Secretary
Executive Office of Health and Human Services
One Ashburton Place, Room 1109
Boston, Massachusetts 02108

Dear Mr. Polanowicz:

We are pleased to enclose a copy of approved Massachusetts State Plan Amendment (SPA) No. 12-009 submitted to my office on October 1, 2012. This SPA was submitted to increase the payment rate to personal care attendants (PCAs) by \$0.20 per hour, inclusive of the PCA wage, employer taxes, and workers' compensation insurance, effective October 1, 2012. The SPA also increases rates for overtime and holiday pay. This SPA has been approved effective October 1, 2012.

Changes are reflected on the following page of your approved State Plan:

- Attachment 4.19-B, page 3.2.

During our review of SPA 12-009, we also completed a corresponding page review of the coverage sections of the State plan regarding personal care services, and found several problems that still need to be addressed. We will not be issuing another companion letter, as a companion letter to SPA 10-007 was issued on July 29, 2011 to address these problems, and SPA No. 11-011 was subsequently submitted to CMS in response to this companion letter. SPA 11-011 remains unresolved.

A Request for Additional Information (RAI) was issued for SPA 11-011 on January 20, 2012. The State's RAI response of April 19, 2012 did not adequately address all of the issues identified in the RAI. The State subsequently withdrew its RAI response on June 21, 2012, after discussions with CMS, to allow additional time to resolve the outstanding issues. We have made several inquiries into the status of the State's review of SPA 11-011, and would like to remind you that the State has no authority to operate a consumer-directed model as described in SPA 11-011 and must take action bring the State plan into compliance.

We anticipate that in addition to re-submitting a formal response to the RAI, the State will also address the problems identified with the Consumer Directed model as defined in the proposed plan page by considering one of the three options outlined in our comments on the RAI response, which were sent to the State by e-mail on June 11, 2012. These options included revising the proposed plan page to remove the Consumer Directed model, or submitting a 1915(j) or 1915(k)

SPA. We ask that the State respond within 30 days of the receipt of this letter so that we can begin to work with the State to bring the State plan in compliance.

If you have any questions regarding this matter you may contact Julie McCarthy at (617) 565-1244 or by e-mail at Julie.McCarthy@cms.hhs.gov.

Sincerely,

/s/

Richard R. McGreal
Associate Regional Administrator

Enclosure/s

cc: Julian Harris, M.D., M.B.A., M.Sc., Medicaid Director
Michael Coleman, State Plan Coordinator