

**Division of Medicaid and Children's Health Operations**

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March 7, 2012

Vivianne Chaumont, Director  
Nebraska Department of Health & Human Services  
Division of Medicaid & Long Term Care  
301 Centennial Mall S., 5th Floor  
PO Box 95026  
Lincoln NE 68509

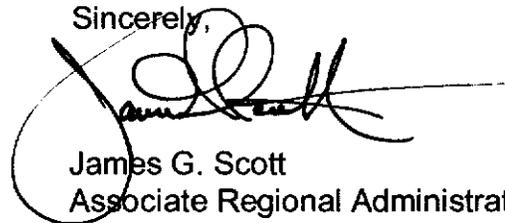
Dear Ms. Chaumont:

On August 12, 2011, the Centers for Medicare & Medicaid Services (CMS) received Nebraska's State Plan Amendment (SPA), transmittal # 11-17, to include durable medical equipment, inpatient hospital services, brand name drugs as services requiring a co-payment (which will be identified via the pharmacy claims processing system), and to implement co-pays for mental health & substance abuse services which are already approved in the State Plan.

During the review of this SPA, CMS was made aware of the fact that the State currently exempts all American Indians from cost sharing based solely on race/national origin, which is not in keeping with Section 5006 of the American Recovery & Reinvestment Act (ARRA), or 42 CFR 447.53(b) and 42 CFR 447.57(c). To correct this, the State will immediately begin to work on changing their MMIS system to come into compliance with 42 CFR 447.53(b) and 42 CFR 447.57(c). Effective August 1, 2012, the State will only exempt American Indians from cost sharing if the individual has received an item or service furnished by an ITU, or through a referral under a contracted health service.

Based on the information provided, this SPA is approved as of March 6, 2012, with an effective date of October 24, 2011, as requested by the State. Enclosed is a copy of the CMS 179 form, as well as, the approved pages for incorporation into the Nebraska State Plan. If you have any questions regarding this amendment, please call Gail Brown Stevenson at (816) 426-5925.

Sincerely,



James G. Scott  
Associate Regional Administrator  
for Medicaid and Children's Health Operations

Enclosure

cc: Margaret Booth  
Nancy Keller  
Pat Taft  
Susan Buettner