



July 2, 2025

Drew Snyder
Deputy Administrator and Director
Centers for Medicare & Medicaid Services
Center for Medicaid and CHIP Services
Mail Stop: S2-25-26 7500
Security Boulevard
Baltimore, Maryland 21244-1850

Re: Acceptance of Healthy Texas Women (HTW) Section 1115 Demonstration
Extension Approval (Project Number 11-W-00326/6)

Dear Mr. Snyder,

The Texas Health and Human Services Commission (HHSC) is writing to formally acknowledge and accept your approval of a five-year extension of HHSC's section 1115 demonstration titled "Healthy Texas Women" (Project Number 11-W-00326/6), as outlined in your letter dated June 27, 2025.

HHSC greatly appreciates CMS's diligent review and approval of this extension request which will allow HHSC to continue providing vital family planning and related services to eligible women across Texas. HHSC specifically acknowledges the approval of the following key elements:

- The five-year extension of the demonstration, effective July 1, 2025, through June 30, 2030;
- The authority to add limited postpartum services for women who were pregnant in the 12 months prior to enrollment;
- The transition of the demonstration from a fee-for-service delivery system to a managed care model once the state fully transitions to this model; and

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- The technical change to increase the Healthy Texas Women (HTW) eligibility income limit to 204.2 percent of the Federal Poverty Level.

HHSC also notes the HTW demonstration application process uses the Medicaid modified adjust gross income (MAGI) single streamlined application in alignment with the original HTW demonstration implementation plan CMS approved on January 4, 2021. Recognizing that CMS received public comments supporting the use of a short-form application, HHSC will continue discussions with CMS to determine if it is permissible to implement a different, non-MAGI application process for the HTW demonstration even though it is not a traditional family planning and related services program.

Additionally, it is critical that CMS fulfills its verbal commitment to work with HHSC on a revised annual monitoring report and the evaluation design and deliverables, including any specific data limitations or timing of data submission and flexibility for designing an evaluation that addresses the uniqueness of the HTW program.

HHSC accepts the attached Special Terms and Conditions (STCs), including waiver and expenditure authorities, which define the nature, character, and extent of federal involvement in this extended project. HHSC notes that its acceptance of the non-federal share STCs in this five-year extension does not constitute future acceptance of those same STCs in any other section 1115 demonstration. HHSC also anticipates additional discussions on how to best operationalize STCs related to reporting and evaluation. Finally, HHSC identified non-substantive edits that are noted in the attached STCs.

HHSC is eager to continue discussions and looks forward to the ongoing partnership with CMS. HHSC is committed to ensuring the continued success of the HTW demonstration in promoting the objectives of the Medicaid program by increasing access to women's health, family planning, and preventive care services for eligible Texans.

Please let me know if you have any questions or need additional information. Kathi Montalbano, Director, Federal Coordination, Rules and Committees serves as the lead staff on this matter and may be reached by e-mail at kathi.montalbano@hhs.texas.gov.

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Sincerely,

Emily Zalkovsky
State Medicaid Director