

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
7500 Security Boulevard, Mail Stop S2-25-26  
Baltimore, Maryland 21244-1850



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## State Demonstrations Group

December 21, 2020

Kate Massey  
Director  
State of Michigan, Medical Services Administration  
400 South Pine Street  
Lansing, MI 48913

Dear Ms. Massey:

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, entitled "Flint Michigan Section 1115 Demonstration" (Project No. 11-W-00302/5), in order to allow the state and CMS to continue working together on approval of the extension of this demonstration. This demonstration will now expire on February 28, 2022.

CMS' approval is conditioned upon the state's continued compliance with the special terms and conditions (STC) 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 of this demonstration until December 31, 2021, including the state's current budget neutrality agreement and Demonstration Year 5 per member per month of \$10.49 for Lead Diagnostics. As indicated in the CMS State Medicaid Director Letter (SMDL) #18-009, dated August 22, 2018, CMS expects to rebase demonstrations that are approved for an extension with an approval period beginning on or after January 1, 2021. Michigan will rebase its existing budget neutrality agreement effective the date the state's renewal is approved.

For the temporary extension period, the state should continue to monitor its demonstration as stipulated in the current STCs. The state may include the temporary extension period in its evaluation design for the next demonstration period. Alternatively, if the state receives a full extension from CMS, the state may include this temporary extension period in the evaluation design and activities of the next full demonstration approval period. The state will submit to CMS a summative evaluation report in accordance with the approved evaluation design. The summative evaluation report will cover the full period of performance from March 3, 2016 through February 28, 2021 (and the temporary extension period, if the state chooses), and encompassing all demonstration components. In the event that the state does not obtain an extension, the state should provide an assessment of the demonstration meeting the demonstration goals in its final report as described in STC 59.

Your CMS project officer for this demonstration is Mr. Thomas Long. He is available to answer any questions concerning your section 1115 demonstration. Mr. Long can be reached at [Thomas.Long@cms.hhs.gov](mailto:Thomas.Long@cms.hhs.gov). If you have questions regarding this communication, please contact me at (410) 786-9686.

Sincerely,

Teresa DeCaro

Teresa DeCaro, RN, M.S.  
Acting Director

cc: Keri Toback, State Monitoring Lead, Medicaid and CHIP Operations Group