



Government of the Virgin Islands of the United States

DEPARTMENT OF HUMAN SERVICES

Medicaid Division

August 21, 2023

Ms. Chiquita Brooks-LaSure
Administrator
Center for Medicare & Medicaid Services (CMS)
Center for Medicaid & CHIP Services
Mail Stop: S2-25-26
7500 security Boulevard
Baltimore, MD 21244-1850

RE: Acceptance of Section 1115 Demonstration Waiver Terms and Conditions (Project #11-W-00441/2)

Dear Administrator Brooks-LaSure:

The United States Virgin islands (USVI), Department of Health and Human Services (DHS) Medicaid Program is pleased to accept the CMS approval, dated July 11, 2023, of our new Section 1115(a)(2) demonstration entitled "USVI Alternative Drug Coverage Program Demonstration (Project #11-W-00441/2). Under the demonstration the territory would elect not to provide optional prescribed drug coverage consistent with section 1902(a)(54) of the Social Security Act (the Act), which requires compliance with requirements in section 1927, and instead cover prescribed drugs in the manner it is now under the state plan, using expenditure authority in section 1115(a)(2). This approval would be effective from the date of this letter through June 30, 2028, upon which date, unless extended or otherwise amended, all authorities granted to operate this demonstration will expire.

With this letter, the USVI acknowledges the award and formally accepts the Special Terms and Conditions (STCs) as described in the CMS approval letter. This demonstration will allow the territory to continue to provide prescribed drug coverage as it currently does under the state plan, instead of having to come into compliance with sections 1902(a)(54) and 1927 of the Act, which the territory believes would be impractical. The USVI will use this demonstration to allow the territory time to conduct a cost-benefit analysis to determine the financial viability of participation in the MDRP program. The USVI believes that the demonstration is essential to ensure the territory maintains the appropriate amount of pharmacy providers required to meet the demand of program participants.

Page 2 of 2

Acceptance of 1115 Demonstration Waiver

On behalf of the the USVI, DHS, Medicaid Program, I thank CMS for its time and commitment in working with us to reach this agreement. We believe this demonstration will benefit all of the enrollees in the USVI Medicaid Program. Thank you again for your support and assistance throughout this process.

Sincerely,



Gary A. Smith
Medicaid Director

CC: Felcia Pailen