

NEW YORK
state department of
HEALTH

Nirav R. Shah, M.D., M.P.H.
Commissioner

Sue Kelly
Executive Deputy Commissioner

March 21, 2013

Melanie Bella, Director
Federal Coordinated Health Care Office
Department of Health and Human Services
Centers for Medicare and Medicaid Services
Hubert H. Humphrey Building
200 Independence Avenue
S.W.
Room 315-H
Washington, DC 20201

Dear Ms. Bella:

Thank you for your ongoing support of New York's efforts to reform our Medicaid program. After much deliberation, New York State has decided to withdraw its Medicaid Fee for Service (MFFS) duals proposal to CMS. New York values its partnership with CMS and appreciates the considerable time and energy you and your team invested in working on New York's MFFS proposal. We especially appreciate the considerable flexibility you afforded us in attempting to resolve our concerns with the demonstration and the MOU.

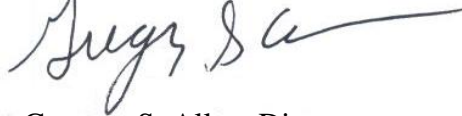
Ultimately, our decision to not pursue the demonstration pivoted on two issues, our internal bandwidth to manage separate FFS and managed care demonstrations at the same time and our desire to preserve some flexibility with regard to managed care timing for this population. New York is interested in discussing eventual managed care demonstration authority for this population with CMS as we are now growing concerned about specifically excluding these dual eligible members from the statewide move towards managed care for a locked-in period of time.

The State will keep its commitment to enroll qualifying dually eligible members in the health home program. In that regard, we are committed to continuing the State's partnership with CMS to assure dual members receive the most efficient and highest quality care. Even without the demo and MOU in place, we look forward to working together on the best ways to exchange data, best practices and quality measures with CMS as we roll out health homes for these members.

We greatly value this ongoing partnership and we look forward to continuing to work together on this important population.

If have questions, please to contact me at (518) 473-0919.

Sincerely,

A handwritten signature in black ink, appearing to read "Gregory S. Allen", with a long horizontal flourish extending to the right.

Gregory S. Allen, Director
Division of Program Development & Management
Office of Health Insurance Programs

cc: Jason Helgerson, Medicaid Director
Mark Kissinger, Director, Division of Long Term Care
Melissa Seeley, CMS

bcc: Lana Earle
John Ulberg
Deirdre Astin