



Administrator

Washington, DC 20201

NOV 10 2005

Mr. Ben Bearden
Director
Louisiana Medicaid Agency
1201 Capital Access Road
P.O. Box 91030
Baton Rouge, LA 70821-9030

Dear Mr. Bearden:

We are pleased to approve your request for the section 1115 demonstration authority needed to implement the Hurricane Katrina Multi-State section 1115 demonstration. The Medicaid demonstration is approved as Project Number 11-W-00209/6 and the State Children's Health Insurance Program (SCHIP) demonstration is approved as Project Number 21-W-00031/6. This demonstration is granted as we work to recover from one of the worst natural disasters in the history of the United States. The Centers for Medicare & Medicaid Services (CMS) has developed this section 1115 demonstration initiative to ensure the continuity of health care services for the victims of Hurricane Katrina.

The demonstration waivers and expenditure authorities outlined in this letter, and in the attached special terms and conditions (STCs), will assist the State of Louisiana in providing Medicaid coverage for evacuees who have been displaced as a result of Hurricane Katrina. Additionally, this demonstration allows for the establishment of expedited Medicaid/SCHIP eligibility for new applicants in the time of a natural disaster who would now meet certain income eligibility standards as described in the eligibility chart at enclosure B. A period of eligibility for up to 5 months is provided for these eligibility groups, which are designated as evacuees under this demonstration.

In addition, we are approving an uncompensated care pool for Louisiana to reimburse providers that incur uncompensated care costs for medically necessary services and supplies for evacuees who do not have other coverage for such services and supplies through insurance or other options available, including title XIX and title XXI in the State for a 5-month period, effective August 24, 2005, through January 31, 2006. The pool may also be used to provide reimbursement for benefits not covered under title XIX in the State. However, your proposal regarding the specific distribution of these funds is still under review.

Our approval of this demonstration is subject to the limitations specified in the list of approved waivers and expenditure authorities. The State may deviate from Medicaid State plan requirements to the extent those requirements have been specifically waived.

The approval is also conditioned upon continued compliance with the enclosed STCs. In order to facilitate health care services for individuals displaced from their home States, we are not applying the usual Medicaid budget neutrality or SCHIP allotment neutrality requirements of section 1115 demonstration projects. The Department agrees that individuals participating in the waiver are presumed to be otherwise eligible for Medicaid or SCHIP in their respective home State, and costs to the Federal Government would have otherwise been incurred and allowable.

The award is subject to our receiving written acceptance of this award within 30 days of the date of this approval letter.

The demonstration population consists of evacuees. "Evacuee" refers to an individual who is a resident of the emergency area affected by a National Disaster as declared by the President of the United States pursuant to the National Emergencies Act or the Robert T. Stafford Disaster Relief and Emergency Assistance Act, and has been displaced from his or her home State, and is not a non-qualified alien.

Under the demonstration, Louisiana will provide services through its program to evacuees who fit into the demonstration population consisting of parents, pregnant women, children under age 19, individuals with disabilities, low-income Medicare recipients, and low-income individuals in need of long-term care with incomes up to and including the levels listed on the simplified eligibility chart at enclosure B.

Louisiana shall track each "evacuee" in its computer system in order to capture the displaced individuals for reporting purposes. Under the authority of section 1115(a)(1) of the Social Security Act (the Act), the enclosed list of waivers of Medicaid and SCHIP State plan requirements contained in sections 1902, 2105, and 2108 of the Act are granted to enable Louisiana to carry out this section 1115 demonstration through this period.

Your project officer is Mr. Steven Rubio. Mr. Rubio is available to answer any questions concerning implementation of your section 1115 demonstration and can be reached at (410) 786-1782. His address is:

Centers for Medicare & Medicaid Services
Center for Medicaid and State Operations
Mail Stop S2-01-16
7500 Security Boulevard
Baltimore, Maryland 21244-1850
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Official communications regarding program matters should be sent simultaneously to Mr. Rubio and to Mr. Andrew Fredrickson, Associate Regional Administrator in our Dallas Regional Office. Mr. Fredrickson's address is:

Centers for Medicare & Medicaid Services
Division of Medicaid and Children's Health
1301 Young Street, Room 714
Dallas, Texas 75202
E-mail: Andrew.fredrickson@cms.hhs.gov

If you have additional questions, please contact Ms. Jean Sheil, Director, Family and Children's Health Programs, Center for Medicaid and State Operations, at (410) 786-5647. We look forward to continuing to work with you and your staff.

Sincerely,

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

Mark B. McClellan, M.D., Ph.D.

Enclosures

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Cc: Mr. Andrew Fredrickson
Associate Regional Administrator
Dallas Regional Office