

*Administrator*

Washington, DC 20201

SEP 23 2005

Mr. Thomas W. Arnold
Deputy Secretary for Medicaid
Agency for Health Care Administration
2727 Mahan Drive
Mail Stop 8
Tallahassee, FL 32308

Dear Mr. Arnold:

We are pleased to approve your request for section 1115 demonstration authority needed to implement Florida's Hurricane Katrina Multi-State section 1115 demonstration. The Medicaid demonstration is approved as Project Number 11-W-00198/4, and the State Children's Health Insurance Program (SCHIP) demonstration is approved as Project Number 21-W-00024/4. 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 enclosed special terms and conditions (STCs) will assist the State of Florida in providing Medicaid and SCHIP 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 simplified eligibility chart at attachment B. A period of eligibility for up to 5 months is provided for these eligibility groups who are designated evacuees under this demonstration.

Our approval of this demonstration (and the waivers and Federal matching provided thereunder) is conditioned upon compliance with the enclosed STCs, which set forth in detail the nature, character, and extent of anticipated Federal involvement in the project. 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 that costs to the Federal Government would have otherwise been incurred and allowable. In addition, Florida will be allowed to use Federal funds to provide health care coverage to evacuees and provide Medicaid eligibility to evacuees who are temporarily residing in Florida as a result of Hurricane Katrina.

Page 2 – Mr. Thomas W. Arnold

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 by 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, Florida will provide services through its programs 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 enclosed simplified eligibility chart. Coverage for pregnant eligible pregnant women will be provided throughout the pregnancy and for 60 days postpartum.

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

Your project officer is Mr. Mark Pahl. Mr. Pahl is available to answer any questions concerning implementation of your section 1115 demonstration and can be reached at (410) 786-1584. His address is:

Centers for Medicare & Medicaid Services
Center for Medicaid and State Operations
Mail Stop S2-01-16
7500 Security Boulevard
Baltimore, MD 21244-1850
E-mail: mark.pahl@cms.hhs.gov

Official communications regarding program matters should be sent simultaneously to Mr. Mark Pahl and to Mr. Renard Murray, Associate Regional Administrator in our Atlanta Regional Office. Mr. Murray’s address is:

Centers for Medicare & Medicaid Services
Division of Medicaid and State Operations
61 Forsyth Street, S.W., Suite 4T20
Atlanta, GA 30303-8909

Page 3 – Mr. Thomas W. Arnold

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,



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

Enclosures