



DEPARTMENT OF HEALTH & HUMAN SERVICES

Centers for Medicare & Medicaid Services

Administrator

Washington, DC 20201

NOV 10 2005

Mr. Paul Gurny
Deputy Secretary for Health Care Financing
Maryland Department of Health and Mental Hygiene
201 W. Preston Street, 5th Floor
Baltimore, MD 21201

Dear Mr. Gurny:

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-00211/3 and the State Children's Health Insurance Program (SCHIP) demonstration is approved as Project Number 21-W-00033/3. 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 Maryland in providing Medicaid/SCHIP coverage for evacuees who were enrolled in Medicaid in their home States but have been displaced as a result of Hurricane Katrina. Additionally, this demonstration allows for the establishment of expedited Medicaid 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 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.

Our approval of this demonstration is subject to the limitations specified in the list of approved 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/SCHIP in their respective home State, and costs to the Federal Government would have otherwise been incurred and allowable.

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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, Maryland 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.

Maryland 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 following waivers of Medicaid State plan and SCHIP State plan requirements contained in sections 1902, 2105, and 2108 of the Act are granted to enable Maryland to carry out this section 1115 demonstration through this period.

Your project officer is Ms. Diane Gerrits. Ms. Gerrits is available to answer any questions concerning implementation of your section 1115 demonstration and can be reached at (410) 786-8681. Her 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: Diane.Gerrits@cms.hhs.gov

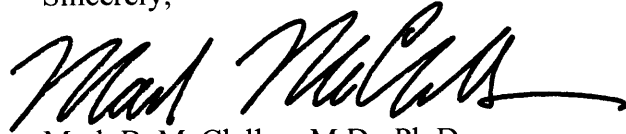
Official communications regarding program matters should be sent simultaneously to Ms. Gerrits and to Ms. Susan Cuerdon, Associate Regional Administrator in our Philadelphia Regional Office. Ms. Cuerdon’s address is:

Centers for Medicare & Medicaid Services
The Public Ledger Building, Suite 216
150 South Independence Mall West
Philadelphia, PA 19106
E-mail: Susan.Cuerdon@cms.hhs.gov

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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: Ms. Susan Cuerdon
Associate Regional Administrator
Philadelphia Regional Office