DEPARTMENT OF HEALTH & HUMAN SERVICES Centers for Medicare & Medicaid Services 7500 Security Boulevard, Mail Stop: S2-26-12 Baltimore, Maryland 21244-1850



JAN 2 9 2014

Susan Mosier, M.D. Medicaid Director Kansas Department of Health and Environment 900 SW Jackson Ave., Suite 900 Topeka, KS 66612

Dear Dr. Mosier:

I am writing to inform you that the Centers for Medicare & Medicaid Services (CMS) has granted your request to amend Kansas' section 1115(a) demonstration (11-W- 00283/7), entitled "KanCare." Approval of this amendment is under the authority of section 1115(a) of the Social Security Act and is effective from the date of this letter.

This amendment approves the transfer of the Intellectually Disabled/Developmentally Disabled (ID/DD) 1915(c) waiver and related services and supports for the ID/DD population into KanCare managed care. Included in the Special Terms and Conditions (STCs) are specific requirements to remediate the underserved list that exists in the current 1915(c) ID/DD waiver as well as reporting requirements related to tracking the state's progress resolving this issue. With this approval, the ID/DD pilot program approved with the initial KanCare demonstration approval will sunset and Long Term Services and Supports (LTSS) for individuals participating in the pilot as well as other individuals enrolled in the ID/DD 1915(c) waiver will transition to the demonstration and into managed care. In addition improvements to the Kansas' Ombudsman program have been made in the STCs aimed at enhancing the beneficiary experience and reporting requirements.

CMS recognizes that one of the key benefits anticipated by Kansas in pursuing this comprehensive demonstration, including this amendment, is the opportunity to redirect a portion of savings from managed care improvements to increase access to community based long term services and supports. Kansas has already begun to realize this benefit by increasing the availability of slots for individuals who are currently on waiting lists for the section 1915(c) enrollment. CMS is pleased to see this progress and urges the state to assure that the commitment to increase access to services under the 1115 is realized at the same time that the state brings its ID/DD 1915(c) waiver into full compliance by assuring that current needs are fully met for individuals already served on the ID/DD waiver.

At this time, CMS is deferring the state's requests related to establishing three pilot programs to support persons who might otherwise be enrolled in Medicaid.

CMS approval of this amendment is conditioned on continued compliance with the enclosed set of STCs that define the nature, character, and extent of anticipated Federal involvement in the project. The award is subject to your written acknowledgement of the award and acceptance of the STCs within 30 days of the date of this letter.

The existing waiver and expenditure authorities for this demonstration are also enclosed and are unchanged by this amendment, and remain in force.

Your project officer for this demonstration is Ms. Lane Terwilliger. She is available to answer any questions concerning your section 1115 demonstration and this amendment. Ms. Terwilliger's contact information is:

Ms. Lane Terwilliger Centers for Medicare & Medicaid Services Center for Medicaid & CHIP Services Mail Stop: S2-01-16 7500 Security Boulevard Baltimore, MD 21244-1850 Telephone: (410) 786-2059

Fax: (410) 786-5882

E-mail: lane.terwilliger@cms.hhs.gov

Official communications regarding this demonstration should be sent simultaneously to Ms. Terwilliger and Mr. James Scott, Associate Regional Administrator for the Division of Medicaid and Children's Health in our Kansas City Regional Office. Mr. Scott's contact information is as follows:

Mr. James Scott Centers for Medicare & Medicaid Services 601 E. 12th Street, Suite 235 Kansas City, MO 64106

If you have any questions regarding this approval, please contact Mr. Eliot Fishman, Director, Children and Adults Health Programs Group, Center for Medicaid & CHIP Services at (410) 786-5647.

Sincerely,

Cindy Mann

Director

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cc: James Scott, ARA Region VII