



**Center for Medicaid and CHIP Services**

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JUN 27 2011:

Joshua M. Sharfstein, M.D.  
Secretary  
Maryland Department of Health and Mental Hygiene  
201 West Preston Street  
Baltimore, MD 21201

Dear Mr. Hales:

We are pleased to inform you that your July 1, 2010 request for an extension of the State of Maryland's Medicaid section 1115 demonstration, entitled "HealthChoice" (Waiver number 11-W-00099/3) under authority of section 1115(a) of the Social Security Act (the Act), has been granted for the period July 1, 2011, through December 31, 2013 unless otherwise specified.

This Demonstration will continue and strengthen coverage available to Medicaid beneficiaries in Maryland. The Special Terms and Conditions (STCs) include provisions that:

- Allow the State to mandatorily enroll Demonstration eligibles into a managed care organization for comprehensive primary and acute care;
- Create health care programs that serve targeted populations through the "Rare and Expensive Case Management" (REM) program, the "Primary Adult Care" (PAC) program, and the "Increasing Community Services" (ICS) program which provide select health care services to targeted populations; and
- Integrate requested State revisions to the Family Planning program into the Demonstration.

The Department of Health and Human Services' approval of the Demonstration extension, including the waivers and the costs not otherwise matchable authority that are described in the enclosed list, are conditioned on the State's acceptance of the STCs within the proceeding 30 days for the date of this approval. The STCs will be effective July 1, 2011, unless otherwise specified. All requirements of the Medicaid program expressed in law, regulation, and policy statement, not expressly waived or identified as not applicable in this list, shall apply to the Demonstration. Your project officer is Ms. Robin Preston. She is available to answer any questions concerning your section 1115 demonstration. Ms. Preston's contact information is as follows:

Centers for Medicare & Medicaid Services  
Center for Medicaid and State Operations  
7500 Security Boulevard, Mail Stop: S2-01-16  
Baltimore, MD 21244-1850  
Telephone: (410) 786-3420  
Facsimile: (410) 786-5882  
E-mail: Robin.Preston@cms.hhs.gov

Official communications regarding program matters should be sent simultaneously to Ms. Preston and to Mr. Ted Gallagher, Associate Regional Administrator in our Philadelphia Regional Office. Mr. Gallagher's contact information is as follows:

The Public Ledger Building  
150 South Independence Mall West Suite 216  
Philadelphia, PA 19106

If you have questions regarding this correspondence, please contact Ms. Victoria Wachino, Director, Children and Adults Health Programs Group, Center for Medicaid, CHIP and Survey & Certification, at (410) 786-5647.

The CMS is looking forward to continuing to strengthen this partnership and is committed to working collaboratively with the State to help deliver health care to the residents of Maryland in a more efficient and cost effective manner.

Sincerely,

/Bill Lasowski/ for

Cindy Mann  
Director

Enclosures

cc: Ted Gallagher, ARA, Philadelphia Regional Office  
Victoria Wachino, CMCS  
Robin Preston, CMCS