



Center for Medicaid, CHIP, and Survey & Certification

CMCS Informational Bulletin

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Center for Medicaid, CHIP and Survey & Certification (CMCS)

SUBJECT: Review and Approval Process for Section 1115 Medicaid Demonstration Programs – Notice of Proposed Rulemaking on Display in the Federal Register

This informational bulletin is to notify you that today the Centers for Medicare & Medicaid Services (CMS) put on display at the Federal Register a notice of proposed rulemaking (with a 60-day comment period) establishing State and Federal transparency and public notice and comment procedures relating to demonstration projects under section 1115 of the Social Security Act (the Act) relating to Medicaid and the Children's Health Insurance Program (CHIP). This regulation implements the provisions of section 10201(i) of the Patient Protection and Affordable Care Act of 2010 (Affordable Care Act). The regulation is available for viewing today at <http://www.ofr.gov>. After today, it will be posted at <http://www.access.gpo.gov> listed under the publication date of September 17, 2010. You can submit electronic comments to <http://www.regulations.gov>. We encourage all interested parties to review and comment on the proposed rules. The comment period closes on November 16, 2010.

The Affordable Care Act amended section 1115 of the Act, which allows the Secretary of the Department of Health and Human Services (the Secretary) to waive selected provisions of the Act for experimental, pilot, or demonstration projects and to use Medicaid or CHIP funds for expenditures that otherwise would not be permitted under federal law. The Act requires that CMS issue regulations establishing processes to ensure meaningful public input into the development of State demonstration projects, as well as in the Federal review and approval of State demonstration applications and renewals. The Act also requires periodic evaluations and implementation reports to ensure that information on the outcomes of demonstration projects is available to the public.

The proposed rule provides that information about Medicaid and CHIP demonstration applications and approved demonstration projects will be publicly available at the State and Federal levels and that there will be an opportunity for the public to comment on the proposals as they move through the process. At the same time the proposed rule seeks to assure that the development and review of demonstration proposals proceed in a timely and responsive manner. Among other procedures, the rule proposes State and Federal public notice processes, identifies

the information that must be provided in such notices, and proposes minimum 30 day public comment periods at both the State and Federal levels. The rule also proposes a good cause exception under which CMS and States could bypass transparency requirements in the event of an emergency, such as a flood or other natural disaster.

Once the comment period has concluded, CMS will review all comments received and issue final regulations.