May 1, 1997

TO: ALL STATE MEDICAID DIRECTORS

The purpose of this letter is to inform you of a new procedure governing State submission of information related to Section 1915(b) Medicaid managed care waivers in electronic format.

Background

Since the inception of the Section 1915(b) waiver process, the submission of these waivers by States has been in hard copy format. States have been required to submit 5 hard copies of the initial waiver request to HCFA. All subsequent activity on the waivers, including additional information requests (AIRs) and State responses to AIRs, have also been submitted in hard copy format.

This process has proven burdensome and time consuming for both Federal and State staff charged with reviewing requests and responding to requests for information. Given the near universal use of PC-based word processing and spreadsheet software packages among Federal and State governments, it makes little sense to continue the practice of a paper driven process. In fact, the electronic submission of waivers is already being strongly encouraged as part of the 1115 waiver process and has greatly enhanced the ability of staff to expedite their review and negotiation of issues both internally and with the States.

Given the time constraints associated with the 1915(b) process (i.e., 90 day clock), too much valuable time is wasted in copying and distributing waiver requests from States to HCFA, and among the Federal agencies which concurrently review waiver submissions. Moving to a paperless process would result in additional time for actual waiver review thus adding time for working with the States to resolve issues identified during the review process.

The drawbacks associated with electronic submission are mostly technical in nature. These technical issues include: software compatibility (ensuring that the information submitted is readily transmitted, downloaded, and readable); security and confidentiality; and the availability of documents in electronic format.

Technical Submission Specifications

The following instructions pertain to documentation associated with an initial, modification, or renewal waiver request, along with the responses to additional information requests (both formal and informal):

Software

For States that choose to submit their waiver information in electronic format, the following are the software requirements that submissions need to follow:

Word processing - We request that you save and submit your document(s) in WordPerfect 5.0/5.1 format.

Spreadsheets - We request that you save and submit your document(s) in Microsoft Excel 5.0 format.

Submissions On Diskette Or Via The Internet

Proposals can be submitted on 3.5" diskettes and/or via the Internet. For States considering submitting waiver documents via the Internet, please note that some Internet provider's software has been known to scramble certain documents during transmission. As a precaution, the document(s) should be saved in diskette format as a back-up should Internet transmission not be successful.

A copy of the core Section 1915(b)(1) waiver application is now available on HCFA's Home Page at http://www.hcfa.gov/medicaid/omchmpg.htm. The application is available in WordPerfect 5.0/5.1 format which is compatible with WordPerfect versions 5.0/5.1 or higher and Microsoft Word versions 6.0 or higher. To download the file, simply click on the file name and download it to your computer. For States that have access to e-mail, you can submit your completed waiver application (those elements that meet the above technical specifications) to HCFA via e-mail at the following address - 1915bwaiver@hcfa.gov.

File Names

We recommend that in naming a file a State use a State name-date combination (i.e., for a waiver (word processing section) submitted by the State of Maryland on April 14, 1997 the file would be named MD041497.wp). Although newer software packages (i.e., Windows 95) permit file names longer than eight characters, we strongly recommend that you keep your file names to eight characters or less in order to ensure compatibility.

Documents Not Available Electronically

We recognize that despite our best efforts, some materials may not be available in electronic format or have been created in software packages that are incompatible with the technical standards outlined above. In those circumstances where materials are only available in hard copy, they should be submitted at the same time as the electronic information and will be processed in the same manner as they have been in the past (including five hard copies of each non-electronic document).

Impact On The Review Process

As is the case with hard copy submissions, the 90-day review clock will begin on the date your electronically submitted waiver is received by either HCFA Regional or Central offices and deemed a complete submission. Further, all materials submitted to HCFA in electronic format will be treated in a manner consistent with HCFA's February 21, 1996 guidance issued to State Medicaid Directors on what 1915(b) waiver materials would and would not be considered subject to Freedom of Information Requests.

Finally, HCFA will begin to transmit its requests for additional information (both formal and informal) to each State in electronic format using the word processing and spreadsheet software specifications detailed above. A hard copy of all signed and dated cover letters (formal requests for additional information and approval letters) will be transmitted to each State as currently takes place. Finally, once the waiver process has been completed, a single hard copy of the final package, dated and signed, will be compiled for the record to secure against any potential, future computer systems failures.

Technical Questions

For technical questions only concerning software compatibility or transmission of electronic files, please contact either Tom Wilmer at (410) 786-4647 or Joe Dulany at (410) 786-0665. For all other non-technical waiver-related inquiries, continue to contact HCFA's Regional (Division of Medicaid) or Central Offices (Office of Managed Care/Medicaid Managed Care Team).

We strongly encourage you to take full advantage of this effort and begin using electronic submission of your materials as soon as it is technically feasible for your State to meet the technical submission requirements note above.

Rachel Block, Director
Medicaid Managed Care Team

cc:
All HCFA ARAs for Medicaid
American Public Welfare Association
National Governors Association
National Conference of State Legislatures