



"People
helping people
help
themselves"

Mitchell E. Daniels, Jr., Governor
State of Indiana

Indiana Family and Social Services Administration
402 W. WASHINGTON STREET, P.O. BOX 7083
INDIANAPOLIS, IN 46207-7083

Michael A. Gargano, Secretary

July 25, 2012

Cindy Mann, Director
Centers for Medicare & Medicaid Services
7500 Security Boulevard
Baltimore, Maryland 21244-1850

Dear Director Mann:

I am writing to ask the Centers for Medicare & Medicaid Services (CMS) for a response to our Healthy Indiana Plan (HIP) 1115 waiver extension request. As you are aware, the HIP program expires at the end of this calendar year. Since the passage of the Affordable Care Act, Indiana has made numerous attempts to continue the HIP program through letters from the Indiana Family and Social Services Administration (FSSA) to CMS dated May 17, 2010, August 30, 2010, and January 14, 2011. In April 2011, FSSA also requested to extend the program through a State Plan Amendment, which CMS denied. In December 2011, FSSA submitted a waiver extension request for the maximum three year period and asked CMS to make a decision by June 2012 to allow the State adequate time to properly dismantle the program, or prepare for its continuation.

The HIP program is the quintessential example of State innovation. Over the past four years, the program has demonstrated strong success. HIP has covered almost 100,000 unique individuals since its inception. Member satisfaction surveys show rates greater or comparable to commercial health insurance. The program also has noted positive differences in care utilization patterns compared with traditional Medicaid programs. For example, 80 percent of HIP enrollees access required preventive services and HIP member non-emergency utilization of the ER decreased by 14.8 percent over the first 12 months of enrollment.


The HIP program has always received bi-partisan legislative support. Most recently in 2011, the Indiana General Assembly voted for HIP to be the coverage vehicle for the Medicaid expansion. Our waiver request reflected this intent. Since that time, the Supreme Court decision rendered the Medicaid expansion under the Affordable Care Act (ACA) a state option instead of a mandate. Indiana has not yet made a decision to expand our Medicaid program in 2014 or beyond; however, if Indiana chooses to do so, the State is committed to using the HIP program to cover this new population.



I am deeply disappointed CMS has not yet responded to the State HIP waiver request. Without a decision by CMS, Indiana will be forced to end this successful program which provides health coverage with healthy outcomes to thousands of Hoosiers. In good conscience, FSSA cannot allow individuals to apply for coverage that may not exist in a few short months. FSSA also has a duty to inform existing members their coverage will end to allow them to make other arrangements.

I request an in person meeting to resolve these issues and to discuss any concerns you may have. I look forward to receiving your prompt response.

Sincerely,


Michael A. Gargano, Secretary
Indiana Family and Social Services Administration

cc: Patricia Casanova, Indiana Medicaid Director
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Alan Freund
Paul Dioguardi
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Jessica Schubel
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