

STATE OF INDIANA OFFICE OF THE GOVERNOR State House, Second Floor Indianapolis, Indiana 46204 Michael R. Pence Governor

March 4, 2014

The Honorable Secretary Kathleen Sebelius Department of Health and Human Services 200 Independence Avenue, SW Washington, DC 20201

Dear Secretary Sebelius,

Thank you for the productive discussion in your office on February 21, 2014. I am pleased with the progress we made on our shared goal of providing high-quality health coverage to more low-income uninsured Hoosiers through the Healthy Indiana Plan. I greatly appreciate the professionalism you and your team have demonstrated throughout your discussions with our team.

As I said in our meeting, we have a long history of consumer-driven health care in Indiana. From the early days of Medical Savings Accounts to our State employee consumer-directed health plan and the creation of the Healthy Indiana Plan, Hoosiers have taken control of their healthcare decisions. They are avid users of tools such as health savings accounts that drive price and quality transparency in the health care marketplace.

One might say that consumer-driven healthcare has become an integral part of healthcare landscape in Indiana. Ninety-six percent of our state employees have opted for consumer-driven plans, and 98 percent of our current Healthy Indiana Plan members say they would re-emoll in the program if given the choice.

It is for these reasons that I am grateful for your willingness to consider our proposal to expand the Healthy Indiana Plan rather than traditional Medicaid in Indiana. We look forward to continuing our discussion with the CMS team in the weeks ahead and appreciate your efforts to make what we are doing in Indiana a priority.

Sincerely,

Govemorof Indiana