



STATE OF INDIANA
OFFICE OF THE GOVERNOR
State House, Second Floor
Indianapolis, Indiana 46204

Michael R. Pence
Governor

March 14, 2013

Senator Tim Lanane
Senate Democratic Leader
200 West Washington Street
Indianapolis, Indiana 46204

Representative Scott Pelath
House Democratic Leader
Third Floor, Statehouse
Indianapolis, Indiana 46204

VIA HAND DELIVERY

Dear Senator Lanane and Representative Pelath:

Thank you for your recent inquiry regarding the State of Indiana's application to extend the Healthy Indiana Plan through 2016. We welcome your thoughts as our administration continues to dialogue with the U.S. Department of Health and Human Services (HHS) on this highly successful, bipartisan program.

As to your inquiry, I am pleased to inform you that the State of Indiana is in full compliance with all transparency requirements set forth by HHS. No error has occurred in the submission of our Healthy Indiana Plan waiver application. The February 25, 2013 letter from HHS to the Family and Social Services Administration was not in any way unexpected. It is a part of the all-too-familiar bureaucratic process of corresponding with HHS on this particular subject.

In an effort to be proactive, we provided Secretary Sebelius with an advance copy of our renewed waiver application on February 13, 2013. This application, which is not materially different from the State's previous application, was posted on the Healthy Indiana Plan website immediately after it was sent to HHS. FSSA posted a notice of administrative public hearing in the Indiana Register on February 20, 2013. A link to that notice can be found at www.hip.in.gov.

The February 25, 2013 letter from HHS does not indicate in any way that the waiver application process has been jeopardized. It does, however, speak to the flawed bureaucratic process that has impeded progress on our successful Healthy Indiana Plan. As you know, the issues we have brought to HHS in our most recent waiver application have been on the table for over two years now. To this date, we have not received a

definitive answer from HHS as to whether Indiana can expand our innovative Healthy Indiana Plan.

The Indiana General Assembly has instructed us to see our Healthy Indiana Plan waiver application through, and we fully intend to do so. For this reason, it is premature to discuss any particular legislative or administrative approach until we receive a definitive response from HHS. We will continue to work through the federal process in order to achieve a resolution that is both healthy for Hoosiers and healthy for our state.

Your inquiry highlights the critical need for greater flexibility in the operation of Indiana's Medicaid program, where we can be free from the many unnecessary and often easily misconstrued federal mandates. We look forward to working together with you to address this important question head-on in the same bipartisan spirit that created our successful Healthy Indiana Plan.

Thank you again for your inquiry. Should you require any further clarifications about this specific Healthy Indiana Plan application, our administration stands ready to assist you.

Sincerely,

A handwritten signature in black ink that reads "Michael R. Pence". The signature is written in a cursive style with a large, sweeping initial "M".

Michael R. Pence
Governor of Indiana