

OFFICE OF THE GOVERNOR
STATE OF MONTANA

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GOVERNOR



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September 15, 2015

The Honorable Sylvia Mathews Burwell
Secretary, U.S. Department of Health and Human Services
200 Independence Avenue, S.W.
Washington, DC 20201

Subject: Montana Section 1115 Health and Economic Livelihood Partnership (HELP) Program Waiver

Dear Secretary Burwell:

On behalf of the citizens of Montana, I am formally submitting a request for approval of a Section 1115 Demonstration Waiver.

On April 29 of this year, I proudly signed a bipartisan bill, the Health and Economic Livelihood Program (HELP) Act, which will dramatically expand access to health care and improve economic well-being in Montana. In an era where compromise is far too rare, Republicans and Democrats came together in Montana to get something done for the people, providers, and communities who were counting on us. The compromise bill has deep and wide support from Montana hospitals, nurses, businesses, tribal leaders, community health centers, and low-income, patient, and senior advocates. Literally thousands of Montanans made calls, wrote letters, and travelled to Helena to testify.

As a result, the HELP Program will expand access to health coverage for over 70,000 new adults with incomes up to 138 percent of the federal poverty level. The goals of the HELP Program are to:

- Increase the availability of high-quality health care to Montanans;
- Provide greater value for the tax dollars spent on the Montana Medicaid Program;
- Reduce health care costs;
- Provide incentives that encourage Montanans to take greater responsibility for their personal health;
- Boost Montana's economy; and
- Reduce the costs of uncompensated care and the resulting cost-shifting to patients with health insurance.

Montana will contract with a Third Party Administrator (TPA) to administer the delivery of and payment for healthcare services for most new adults, with the exception of participants who are exempt from TPA enrollment under state law. Montana's goal in using the TPA model is to leverage an existing commercial market vehicle to administer efficient and cost-effective health

care coverage for new Medicaid adults. Montana has a successful history of administering the state's popular Healthy Montana Kids program through a TPA. This will be the first 1115 Medicaid Expansion Waiver to use a TPA model to deliver services.

Participants in the HELP Program administered by the TPA will pay a premium and copayments. Total premium and copayments will be capped at 5 percent of quarterly household annual income.

Montana has consulted with staff from the Centers for Medicare and Medicaid Services (CMS) to determine what other authorities are needed to bring the HELP program to fruition. As a result of those consultations, we are concurrently submitting a 1915(b)(4) Fee-for-Service Selective Contracting Waiver to the Denver Regional Office. In the coming months, Montana will also be submitting any State Plan Amendments (SPAs) needed to effectuate implementation but that do not require waiver approval. These include eligibility, copayment, and Alternative Benefit Plan SPAs.

I am requesting approval of the HELP Program Waiver by November 1, 2015. Timely approval is important so that we may both minimize participant confusion by beginning enrollment concurrently with open enrollment for the Marketplace and also be prepared to begin delivering services on January 1, 2016.

Enclosed are the waiver applications and documentation of tribal and public notice requirements. Thank you in advance for your time and attention. Please don't hesitate to reach out to me if you have any questions or need any further information.

Sincerely,



Steve Bullock
Governor

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| cc: Tara Veazey, Policy Advisor for Health and Families | Megan LePore, CMS |
| Richard H. Opper, DPHHS Director | Terri Frazer, CMS |
| Mary E. Dalton, Montana State Medicaid Director | Andrea Casart, CMS |
| Vikki Wachino, CMS | Richard Allen, CMS |
| Julia Hinckley, CMS | Mary Marchioni, CMS |
| Eliot Fishman, CMS | Cindy Smith, CMS |

Enclosures: Section 1115 Montana Health and Economic Livelihood Partnership (HELP) Program Waiver Application, 508 Compliant Application, Tribal Consultation, Public Notice, Montana Health Coalition Memo, Public Meeting Information, Interested Parties Mailing, Public Notice Schedule, Public Comment Summary, and DPHHS Website Posting
copy of 1915(b) (4) waiver