



STATE OF MICHIGAN

DEPARTMENT OF COMMUNITY HEALTH
LANSING

JENNIFER M. GRANHOLM
GOVERNOR

JANET OLSZEWSKI
DIRECTOR

November 26, 2008

Dear Medicaid Provider:

Re: Notification of intent to submit waiver extension for Section 1115 Adult Benefits Waiver

The purpose of this letter is to notify you that the Michigan Department of Community Health (MDCH) intends to submit a waiver extension request to the Centers for Medicare and Medicaid Services (CMS) for the currently existing Section 1115 demonstration known as the Adult Benefits Waiver (ABW). The ABW demonstration was originally approved for five years. It began in January of 2004 and expires on January 31, 2009.

Approval of this extension request by CMS will enable Michigan to continue to provide health care coverage to an annual average of 62,000 childless adults with incomes at or below 35 percent of the federal poverty level. Coverage will be provided through the currently established provider network at the same service levels that are now in place. Key aspects of the current ABW program which will continue upon CMS approval of Michigan's waiver extension request are:

- Only individuals with no other form of health insurance benefits, including Medicaid eligibility, are eligible for the ABW program;
- Services are provided to enrolled beneficiaries through county-operated health plans (CHPs). Benefits are provided on a fee-for-service basis in counties without a CHP;
- ABW beneficiaries are provided access to primary care as well as additional benefits such as prescription drugs and behavioral health services;
- In addition to improving the welfare of the enrollees, this program has benefited the health care system in Michigan by decreasing uncompensated care for this target population group.

Any comments on Michigan's request to extend the ABW program beyond its January 31, 2009 expiration date may be submitted by email to lipsey@mdch.state.mi.us or in writing to:

Ashleigh Lipsey
Michigan Department of Community Health
Bureau of Medicaid Policy and Actuarial Services
P.O. Box 30479
Lansing, Michigan 48909-7979

Written comments may be reviewed by the public at Capitol Commons Center, 400 South Pine Street, Lansing, Michigan.

Comments must be received by December 31, 2008. There is no public hearing scheduled for this waiver extension request.

Sincerely,

Paul Reinhart, Director
Medical Services Administration