



OFFICE OF THE DIRECTOR

John A. Kitzhaber, MD, Governor



Washington State
Health Care Authority

October 5, 2012

Cindy Mann, Director
Center for Medicaid and CHIP Services
Centers for Medicare and Medicaid Services
Department of Health and Human Services
Mail Stop S2-26-16
7500 Security Boulevard
Baltimore, MD 21244-1850

Dear Ms. Mann:

This letter is to inform you of the Oregon Health Authority (OHA) and Washington's Health Care Authority's (HCA) intent to submit a joint request to the Centers for Medicare and Medicaid Services (CMS) to be able to reimburse Oregon and Washington's Tribal facilities for certain services no longer covered under our respective Medicaid programs due to multi-year reductions in Medicaid benefits. We are also seeking early guidance on whether to request a supplemental payment option, or to seek waivers of service comparability and amount, scope and duration.

In order to facilitate our request, OHA sent a letter to CMS Region X indicating that Tribal representatives and OHA are eager to explore options that would allow IHS and 638 contract/compact Tribal facilities to receive reimbursement for services no longer covered by the state, and that HCA was working with Washington tribal representatives on the same purpose. In response, CMS Region X assigned Terri Fraser to the project.

The purpose of these payments is to assist Tribal programs in being able to provide critically needed services to Tribal members, non-native family members, other American Indians/Alaska Native (AI/AN) people, and persons residing on reservation land or in their Indian Health Services (IHS) Contract Health Service Delivery Areas (CHSDA) or Service Delivery Area (SDA). As you know, these Tribal programs are the "essential community providers" for all Tribal members, including members enrolled in the Medicare, Medicaid and CHIP programs. Oregon and Washington's Tribes have made progress in improving the health status of their members. There, however, remain significant and persistent disparities between Oregon and Washington's AI/AN people and the general population.

Based on discussions with other states and guidance from Tribal representatives, we are interested in exploring the possibility of an uncompensated care payment program similar in concept to the one CMS approved for Arizona in April 2012. Our application may also include: duration of the program beyond the January 2014 Medicaid expansion date; potential payments for urban Indian health programs recognized in the Indian Health Care Improvement Act; and, different sources of the non-federal share needed to finance payments for non-natives served by the Tribal programs.

OHA and HCA would like to submit a joint application to reduce administrative burden on CMS, Tribal representatives and our agencies. However, there will likely be differences across the two states, including: coverage date for defining services no longer covered by our respective states; and, benefits/services that would reimbursement under an uncompensated care payment program. While Oregon will be seeking an amendment to its existing Oregon Health Program demonstration waiver, Washington is very interested in implementing a payment program through a Medicaid State Plan amendment (SPA), similar to its disproportionate share hospital (DSH) and CPE hospital payment programs.

Our proposal will be developed in government-to-government consultation with Oregon and Washington Tribes. We have convened a joint state workgroup that is comprised of representatives from the Tribes, American Indian Health Commission of Washington staff, Northwest Portland Area Indian Health Board staff, and OHA/HCA staff.

It would be our intent to submit an application as soon as feasible. In order to expedite the application and approval process, we are requesting your initial guidance on the viability of an uncompensated care payment program. We also are requesting technical guidance from CMS, particularly staff involved with approving the Arizona uncompensated care payment waiver amendment.

We look forward to working with you to obtain approval for a payment method that will continue to support Tribal programs in their critical role for AI/AN people in our state. Given the immense tasks and demands on our respective organizations to implement the Affordable Care Act Exchanges and the Medicaid expansion by 2014, we hope that our request to support our Tribes can be achieved in an expedited manner.

Should you have any questions or concerns, please contact Bruce by telephone at 503-945-6956 or via email at bruce.goldberg@state.or.us or MaryAnne by telephone at 360-725-4863 or via email at maryanne.lindeblad@hca.wa.gov.

Sincerely,



Bruce Goldberg, M.D., Director
Oregon Health Authority



MaryAnne Lindeblad, Director
Washington Health Care Authority

cc: American Indian Health Commission
Northwest Portland Area Indian Health Board
Susan Johnson, Region X Director
Carol Peverly, Region X, Associate Regional Administrator
Terri Fraser, Region X
Nathan Johnson, HCA Assistant Director for Health Care Policy
Roger Staples, OHA Medicaid's Budget and Finance Manager
Helena Kesch, OHA Program Manager
Debra Sosa, HCA Tribal Program Manager
Roger Gantz, Project staff