

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S2-26-12
Baltimore, Maryland 21244-1850



JUN 06 2018

Al Gobeille
Secretary
Vermont Agency of Human Services
280 State Drive
Waterbury, VT 05671

Dear Secretary Gobeille:

I am pleased to inform you that the Centers for Medicare & Medicaid Services (CMS) is approving Vermont's request to amend the Vermont Global Commitment to Health section 1115(a) demonstration (Project Number 11-W-00194/1). This approval is effective from July 1, 2018 through December 31, 2021.

CMS applauds your efforts and those of your team in designing this demonstration amendment, as well as your ongoing commitment to improving the health and well-being of all Vermonters receiving Medicaid services. At CMS, we are dedicated to empowering states to better serve their beneficiaries through state-led reforms that improve health outcomes.

CMS' approval of this section 1115(a) demonstration amendment is subject to the limitations specified in the approved waiver and expenditure authorities as well the compliance with the enclosed Special Terms and Conditions (STCs) defining the nature, character, and extent of federal involvement in this project. Vermont (the state) may deviate from the Medicaid state plan requirements only to the extent those requirements have been waived or specifically listed as not applicable to the expenditure authority.

This approval authorizes the state to receive federal financial participation (FFP) for the continuum of services to treat addictions to opioids and other substances, including services provided to Medicaid enrollees with a substance use disorder who are short-term residents in residential and inpatient treatment facilities that meet the definition of an Institution for Mental Diseases (IMD). At this time, CMS is not providing authority for Vermont to receive federal financial participation (FFP) for expenditures for services for individuals residing in an IMD who are in an IMD only to receive mental health treatment. It is CMS' current policy, as reflected in the November 1, 2017 State Medicaid Director's Letter #17-003, not to authorize FFP for services for individuals residing in an IMD who are in an IMD only to receive mental health treatment. CMS will continue to work with the state to support the state's efforts to provide comprehensive mental health services for Medicaid beneficiaries.

Implementation of the demonstration amendment is likely to assist in promoting the objectives of the Medicaid program as it is expected to improve health outcomes for Medicaid beneficiaries by

increasing access to high quality opioid use disorder/substance use disorder care. Specifically, the demonstration amendment is expected to assist the state in increasing the identification, initiation, and engagement in treatment; increased adherence to and retention in treatment; reductions in overdose deaths, particularly those due to opioids; and reduced inappropriate or preventable utilization of emergency departments and inpatient hospital settings through improved access to other continuum of care services.

Neither Vermont nor CMS received any comments during the state and federal comment periods. Vermont noted in its application that the proposed amendment does not include any changes to the demonstration's covered populations and that it was not unexpected that no comments were submitted.

The award is subject to your written acknowledgement of the award and acceptance of the STCs within 30 calendar days of the date of this letter. Please send your written acceptance to your project officer, Robin Patrice Magwood. She is available to answer any questions concerning your section 1115 demonstration. Her contact information is as follows:

Centers for Medicare & Medicaid Services
Center for Medicaid and CHIP Services
Mail Stop: S2-25-26
7500 Security Boulevard
Baltimore, MD 21244-1850
Telephone: (410) 786-0130
E-mail: Robin.Magwood1@cms.hhs.gov

Official communication regarding official matters should be simultaneously sent to Ms. Robin Patrice Magwood and Mr. Richard McGreal, Associate Regional Administrator for the Division of Medicaid and Children's Health Operations in our Boston Regional Office. His contact information is as follows:

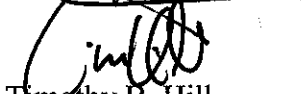
Mr. Richard McGreal
Associate Regional Administrator
Division of Medicaid and Children's Health Operations
Centers for Medicare and Medicaid Services
JFK Federal Building, Suite 2325
Boston, MA 02202-0003

If you have any questions regarding this approval, please contact Ms. Judith Cash, Director, State Demonstrations Group, Centers for Medicaid & CHIP Services at (410) 786-9686.

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We look forward to continuing to partner with you and your staff on the Vermont Global Commitment to Health section 1115 demonstration.

Sincerely,

A handwritten signature in black ink, appearing to read "Timothy B. Hill", written over a horizontal line.

Timothy B. Hill
Acting Director

cc: Mr. Richard McGreal, Associate Regional Administrator, Boston Regional Office
Gilson DaSilva, Vermont State Lead, Boston Regional Office