

MICHAEL P. STARKOWSKI
Commissioner

STATE OF CONNECTICUT
DEPARTMENT OF SOCIAL SERVICES
OFFICE OF THE COMMISSIONER

TELEPHONE
(860) 424-5053

TDD/TTY
1-800-842-4524

FAX
(860) 424-5057

EMAIL
commis.dss@ct.gov

December 19, 2008

Dianne Heffron, Acting Director
Center for Medicaid and State Operations Family and Children's Health Programs Group
Center for Medicare & Medicare Services
7500 Security Boulevard, Mail Stop S2-26-12
Baltimore, Maryland 21244-1850

Dear Acting Director Heffron:

The State of Connecticut Department of Social Services is pleased to accept all of the conditions set forth in your letter dated December 5, 2008, for the extension of the 1915b managed care waiver through the end of June 2009. I am grateful for your support and guidance, and that of CMS staff in Baltimore and Boston, during what has been at times a challenging period of transition to newly procured managed care organizations with full transparency compliance. Today, Connecticut is in a much better position for our program, our providers and, most important, our clients.

I would like to bring you up to date on some dramatic developments that have transpired during the last 48 hours.

- Each HUSKY managed care organization (Aetna Better Health, AmeriChoice by United Healthcare and Community Health Network of Connecticut) now has a contract with at least one hospital in at least one county of the state.
- The Federally Qualified Health Centers have now concluded an agreement with the state to participate with all of the health plans at each of their locations across the state.
- There have been dramatic improvements in the physician networks that you will see in the attached network capacity reports, including agreements between Aetna and AmeriChoice with the Yale Physicians Group.

With regard to the specific points in your letter:

- 1) Given that each managed care organization now meets the network adequacy requirements set out in 42CFR 438.206 and 42CFR438.207, there is no longer a need to cease enrollment in two managed care organizations. While the Department had taken proactive steps, beginning December 12, to impose an enrollment freeze on Aetna and AmeriChoice in Middlesex County, this action has been cancelled based

25 SIGOURNEY STREET • HARTFORD, CONNECTICUT 06106-5033

An Equal Opportunity / Affirmative Action Employer

Printed on Recycled or Recovered Paper

www.ct.gov/dss

on the recent hospital contract signings. We will continue to monitor enrollment capacity based on the methodology contained in our contract with the managed care organizations, as approved by CMS.

- 2) A letter was prepared to inform Aetna and AmeriChoice members that neither plan currently met the department's network adequacy requirements in the specific identified counties, and to give members opportunity to change plans. The letter was scheduled for mailing today; however, it was pulled back as both Aetna and AmeriChoice concluded agreements with hospitals in these counties, as noted above. Therefore, the second condition contained in your December 5 letter is no longer applicable.
- 3) As you are aware, the Anthem contract is scheduled for expiration on January 31, 2009. The expiration has always been contingent on the verification of network adequacy and, as of today, our MCOs have achieved network adequacy standards. The providers participating in the MCOs will provide services to the existing and former Anthem clients, as well as those clients presently receiving services in our traditional Medicaid program. Based on the significant overlap of providers in the Anthem network and providers in the networks of the three MCOs, clients should be able to receive continuity of services from their existing providers. We will continue to maintain the customer service assistance of our contracted partners, HUSKY Infoline (United Way of Connecticut) and ACS; and Department staff and staff of each of the MCOs, during the transition process and afterward.
- 4) Anthem and Traditional Medicaid beneficiaries were notified of the delay in mandatory enrollment and that they could choose to enroll in one of the current MCOs, but that they were not required to do so. This letter was mailed during the week of November 24, 2008. A copy of the letter is attached.

Based on the network adequacy, Anthem members and those enrolled in traditional Medicaid will receive 30 days' advance notice for a February 1 mandatory transition. Letters are scheduled for mailing no later than December 29. The attached enrollment capacity reports demonstrate that there is adequate network capacity for HUSKY A members, in accordance with requirements of 42 CFR 438.206 and 438.207. [Please note that the numbers include our HUSKY B (SCHIP) members (approximately 15,000).]

- 5) We agree to submit the full and complete request for a two-year waiver authority no later than April 1, 2009.

For informational purposes, I have attached:

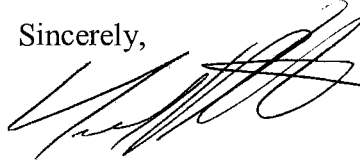
- a. Network capacity report (as of 12/17/08);
- b. Hospital contract report (as of 12/18/08);
- c. Notification to members regarding the delay in mandatory enrollment; and
- d. December 2008 HUSKY A enrollment.

Once again, I want to thank you and your staff for your guidance, cooperation and assistance as we have worked to make the transition succeed.

Please contact David Parrella, DSS Medical Care Administration director, at (860) 424-5116 (david.parrella@ct.gov) if you or your staff have any further questions or need additional information. Of course, I am also available at (860) 424-5053 (michael.starkowski@ct.gov).

Best regards.

Sincerely,

A handwritten signature in black ink, appearing to read 'Michael P. Starkowski', with a long horizontal line extending to the right.

Michael P. Starkowski
Commissioner

cc: Rich McGreal, Associate Regional Administrator, DMCHO, Boston
David Parrella, Director, DSS Medical Care Administration
Rose Ciarcia, DSS Medical Care Administration
Richard Spencer, DSS Medical Care Administration
Lee Voghel, DSS Fiscal Management and Analysis

Attachments