State of Wisconsin
Department of Health Services

Scott Walker, Governor
Dennis G. Smith, Secretary

December 9, 2011

Marilyn Tavenner
Acting Administrator
Centers for Medicare and Medicaid Services
7500 Security Boulevard
Baltimore, MD 21244

Dear Administrator Tavenner:

Thank you for speaking with me earlier today regarding our section 1115 Demonstration Project proposal and today's letter from Director Cindy Mann. I must again stress the importance of reaching an agreement as soon as possible to satisfy the requirements of state law in order to avoid the disenrollment of approximately 53,000 individuals from Wisconsin Medicaid. I am concerned that although the deadline has been acknowledged, federal staff may not fully understand the state law under which we are operating.

From our perspective, we certainly believe there is still time to reach agreement. The Centers for Medicare and Medicaid Services (CMS) has known the policy changes we are requesting for more than two months. Unfortunately, a great deal of staff time has been expended on non-policy matters and data requests that could easily and routinely be handled in terms and conditions. Far too much time has been expended on operational matters related to real-time eligibility, for example.

The letter from Director Mann approving some modifications to our program is a good start and we appreciate getting approval on them, but they fall far short of our request. I strongly believe that the policy choices are clear and resolvable. The choice is clear—with your approval of the demonstration project, over 60,000 Wisconsinites will still have access to affordable insurance. But without federal approval, thousands of other low-income individuals will lose coverage. We appreciate the work done thus far, but with so much at stake, we respectfully request the opportunity to continue to meet in order to resolve the remaining issues within the timeframe necessary.

I know the challenges that you face, but I also know the capabilities of CMS staff. With plenty of time left on the calendar, it is time to redouble efforts and work through the remaining issues in order to reach agreement. I look forward to our next round of negotiations at your earliest convenience.

Sincerely,

Dennis G. Smith

Dennis G. Smith
Secretary