



June 27, 2014

Margaret Brodie
Director
Health Care Services
Alaska Department of Health and Social Services
4501 Business Park Boulevard Building L
Anchorage, AK 99503

Dear Ms. Brodie:

As you know, as the Centers for Medicare & Medicaid Services (CMS) has worked with states on the implementation of changes to Medicaid and CHIP eligibility and enrollment rules and procedures, we identified seven key focus areas for close attention in fulfilling these requirements. Approaching the start of the first open enrollment period, we asked states that were anticipating not being in full compliance with the rules and procedures relating to these core areas, often due to delays in systems functionality, to develop mitigation plans. These were submitted to and approved by CMS. Over time, mitigations adopted by states have been retired as systems functionality and operational capabilities came on line, and some new mitigations have been needed to address newly identified issues (such as when a new systems functionality is not performing adequately or workload volume has necessitated workarounds).

As a reminder, the seven critical success factors are:

- Ability to accept a single, streamlined application;
- Ability to convert existing state income standards to modified adjusted gross income (MAGI);
- Ability to convey state-specific eligibility rules to the Federally-Facilitated Marketplace (FFM), as applicable;
- Ability to process applications based on MAGI rules;
- Ability to accept and send application files (accounts) to and from the FFM, as applicable;
- Ability to respond to inquiries from the Marketplace on current Medicaid or CHIP coverage; and
- Ability to verify eligibility based upon electronic data sources (the Federal Data Services Hub or an approved alternative)

Alaska is meeting all critical success factors, or has mitigations in place which have been approved by CMS, with the exception of the ability to receive and process application files (“accounts”) from the Federally-Facilitated Marketplace (FFM). During the June 10, 2014 call

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with the state and CMS, you reviewed the state's current overall system implementation schedule and mitigations in place to compensate for the numerous delays the state has faced. Given those obstacles, we would like to recognize the state for initiating the sending of account transfers to the FFM on June 17, 2014.

However, to date, Alaska still does not have the ability to receive account transfers from the FFM, which interferes with Alaska residents' ability to apply for and enroll in Medicaid. Either an accelerated system schedule to move this service into production or, as a short term mitigation, adoption of the 1902(e)(14) "flat file" waiver would be acceptable approaches to meeting this critical success factor. Also, given that there are over 3,700 account transfers waiting to be sent to Alaska, we want to be sure that the state has a plan in place to process them in a timely manner once they are received. We recognize that Alaska has used the flat file to look for duplicates and to conduct outreach; however we also recommend that the state consider use of the flat file waiver to help streamline enrollment and processing.

I am writing to formally request that, within 10 business days of the date of this letter, the Alaska Medicaid program provide CMS with an updated system mitigation plan for our review and approval. This update should present a timeline for meeting the requirement for receiving account transfers from the FFM, your plan for timely processing of the application received, and an acceptable mitigation strategy for meeting this critical success factor if the lack of functionality is not resolved in the near future.

We remain available to work with you to answer any questions and to provide technical assistance on possible mitigations. When the plan is complete, your staff can upload the required documentation to the state's CALT folder and alert your CMS systems analyst via email that you have done so, 2014. We have created a specific Mitigation Plan folder in the Medicaid State Collaborative Community for each state and previously submitted mitigation plans have been migrated to each state's folder. Please either update the original mitigation plan directly in CALT or upload an addendum to your Mitigation Plan folder. Please find your state's Mitigation Plan folder using this link: https://calt.cms.gov/sf/docman/do/listDocuments/projects.medicaid_state_collaborative_com/docman.root.mitigation_plans.

Thank you for your continued work toward meeting these requirements. Please feel free to contact Jessica Kahn, Acting Director, Data and Systems Group, at (410)786-9361 if you have any questions.

Sincerely,



Cindy Mann
Director

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cc: Carol Peverly, Associate Regional Administrator, Region X
Jessica Kahn, Director, Data and Systems Group, CMCS
Jennifer Ryan, Director, Intergovernmental and External Affairs Group, CMCS
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Anne Marie Costello, Deputy Director, Children and Adults Health Programs Group, CMCS