

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
601 East 12<sup>th</sup> Street, Suite 355  
Kansas City, Missouri 64106



**Division of Medicaid and Children's Health Operations**

September 22, 2016

Calder Lynch, Director  
Department of Health & Human Services  
Division of Medicaid and Long-Term Care  
301 Centennial Mall South, 3rd Floor  
PO Box 95026  
Lincoln, Nebraska 68509-5026

Dear Mr. Lynch:

I am pleased to inform you that the Centers for Medicare & Medicaid Services (CMS) is approving your request to amend Nebraska's 1915(b) waiver to implement your integrated managed care delivery system, Heritage Health, scheduled to begin effective January 1, 2017. The full-risk integrated managed care program will offer the choice of three (3) MCO's who will operate statewide and cover physical health, behavioral health, and pharmacy services to members enrolled in managed care. Long-Term Services and Supports will continue to be carved out of the managed care delivery system and remain paid on a Fee-For-Service basis. Additionally, Nebraska requested revisions to the Section D cost projections beginning October 1, 2016, to reflect the inclusion of behavioral modification services in the Prepaid Inpatient Health Plan (PHIP) capitation rates. This waiver amendment has been assigned control number NE03.R09.M02. This number should be used in any subsequent correspondence.

This waiver amendment was approved September 22, 2016, with an effective date of October 1, 2016. The expiration date of the waiver remains June 30, 2017.

The decision to approve this waiver amendment is based on evidence submitted to CMS showing that the state's waiver program is consistent with the purposes of the Medicaid program, has met the applicable statutory and regulatory requirements for access to care and quality of services, and has been and will continue to be a cost-effective means of providing services to Nebraska's Medicaid recipients.

If you have any questions regarding this waiver amendment, please contact Sandra Levels at (816) 426-5925.

Sincerely,

9/22/2016

A handwritten signature in blue ink, appearing to read "James G. Scott", is written over a faint blue line.

James G. Scott  
Associate Regional Administrator  
for Medicaid and Children's Health Operations

Sign

Cc: Heather Leschinsky  
Courtney Miller