

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
150 S. Independence Mall West
Suite 216, The Public Ledger Building
Philadelphia, Pennsylvania 19106-3499



Region III/Division of Medicaid and Children's Health

MAR 05 2007

Patrick W. Finnerty, Director
Department of Medical Assistance Services
600 East Broad Street, Suite 1300
Richmond, Virginia 23219

Dear Mr. Finnerty:

We have reviewed State Plan Amendment (SPA) 06-12, which establishes a benchmark benefits package for Medicaid recipients determined to have asthma, congestive heart failure, coronary artery disease, and/or diabetes. This amendment offers certain populations receiving Medicaid under the fee-for-service portion of the State plan the option of joining the benchmark plan, which provides disease management services in addition to the services offered under the traditional Medicaid program. The disease management services will be provided through a prepaid ambulatory health plan (PAHP).

This SPA, as amended by your email submission dated March 2, 2007, is acceptable. Therefore, we are approving SPA 06-12 with an effective date of October 1, 2006. You should be aware that Virginia's contract with its disease management coordinator will be subject to all requirements on prepaid ambulatory health plans in 42 CFR Part 438, and must be approved by CMS' Philadelphia Regional office. Enclosed are the approved SPA pages and CMS-179 form.

If you have further questions about this SPA, please contact Jake Hubik at 215-861-4181.

Sincerely,

A handwritten signature in black ink that reads "Ted Gallagher". The signature is written in a cursive style with a large, stylized "T" and "G".

Ted Gallagher
Acting Associate Regional Administrator

Enclosures