
OFFICE OF GOVERNOR RONNIE MUSGROVE
INTEROFFICE MEMORANDUM

TO: RENICK
FROM: SMITH
SUBJECT: MEDICAID WAIVERS
DATE: 10/08/01

Per your request, I have tried to determine if the statement “ in applying for a waiver, a state must make certain of its administrative capability to handle a new program and must certify that the change is budget neutral” is accurate.

To receive approval to implement HCBS waiver programs, State Medicaid agencies must assure HCFA that, on an average per capita basis, the cost of providing home-and-community-based services will not exceed the cost of care for the identical population in an institution. The Medicaid agency must also document that there are safeguards in place to protect the health and welfare of beneficiaries.

I have attached information from the CMS (formerly HCFA) web site for you. If you need additional information, let me know and I'll call Rica.