



STATE OF NEW YORK  
DEPARTMENT OF HEALTH

Corning Tower The Governor Nelson A. Rockefeller Empire State Plaza Albany, New York 12237

Richard F. Daines, M.D.  
*Commissioner*

Wendy E. Saunders  
*Executive Deputy Commissioner*

March 31, 2009

Clarke Cagey  
Director  
Division of State Demonstrations and Waivers  
Department of Health & Human Services  
Centers for Medicare & Medicaid Services  
7500 Security Boulevard, Mail Stop S2-01-16  
Baltimore, MD 21244-1850

Dear Mr. Cagey:

The New York State Department of Health (DOH) is pleased to submit to the Centers for Medicare and Medicaid Services (CMS) this request for a three-year extension of the New York's Partnership Plan Section 1115 demonstration (Project Number 11-W-00114/2). With CMS approval, the State intends to continue the waiver beyond its current September 30, 2009 expiration date to September 30, 2012. This request is being filed pursuant to Section 1115(f) of the Social Security Act as amended by the Benefits Improvement and Protection Act of 2000 (BIPA).

The Medicaid program in New York State is undergoing one of its most critical and dynamic periods of change since its inception. Over the past two years - in partnership with CMS - DOH has restructured reimbursement for inpatient and outpatient services to incentivize primary and preventive care and appropriately reimburse for our most seriously ill and complex patients. We have increased investment in community-based settings and health provider shortage areas bringing care to those who need it most. These changes have allowed the state both to invest in the health care delivery system and also to achieve hundreds of millions of dollars in savings.

We believe that the decade of quality improvement, savings and careful management achieved through the Partnership Plan coupled with New York's recent reforms will permit CMS and DOH to expand coverage to hundreds of thousands of vulnerable and low-income New Yorkers and support critical health reform activities.

The partnership between CMS and the State continues to be critical to the success of the Partnership Plan. We look forward to working closely with CMS during the review of our extension request. If you have any questions regarding the enclosed material, please do not hesitate to contact me at 518-474-3018.

Sincerely,

Deborah Bachrach  
Medicaid Director  
Deputy Commissioner  
Office of Health Insurance Programs

Enclosures

cc: Sue Kelly  
Camille Dobson  
Donna Frescatore  
Jay Laudato  
Vallencia Lloyd