

October 18, 2002

Donna Schmidt  
Centers for Medicare and Medicaid Services  
Department of Health and Human Services  
S2-01-16 South Building  
7500 Security Boulevard  
Baltimore, MD 21244-1850

Dear Ms. Schmidt:

In accordance with the provisions of the waiver agreement for the Oregon Health Plan Demonstration, I am writing to request approval from the Centers for Medicare and Medicaid Services to move the funding line of the Prioritized List of Health Care Services from line 566 to 558. Please consider this request an update of the earlier requests made to CMS on April 9 2002 and August 23, 1999. Two lines have been deleted from this request as they are expected to move up on the prioritized list October 1, 2003.

Attachment 1 lists the lines and identifies specific ICD-9 and CPT codes that would no longer be covered under the Oregon Health Plan as a result of the proposed line movement. Attachment 2 lists the eight lines with a lay person's description of the conditions found on those lines.

Our request is being resubmitted pursuant to additional reductions in available funding for the Oregon Health Plan. The 2002 3<sup>rd</sup> Special Session directed the Department of Human Services to find additional savings from the Prioritized List. Assumed savings from this line movement request will be forwarded as part of a budget rebalance in November.

Donna Schmidt, Project Officer

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When the OHP2 waiver application was received, you interrupted work on our previous line movement amendment request. You informed us of your intention to grant us a new set of terms and conditions with an expedited review of modifications to the list. Due to the seriousness of our budget crisis, we cannot wait for the development of a process for expedited review to occur before you consider this request.

Please let me know as soon as possible of your decision. If you require additional information, you may contact me directly at 503-945-5767, or contact Joan Kapowich at 503-945-6500.

Sincerely,

Jean I. Thorne  
Interim Administrator

Enclosures

C: Mike Fiore  
Randy Poulsen