

Exhibit D

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S2-01-16
Baltimore, Maryland 21244-1850



State Demonstrations Group

December 16, 2016

Nate Checketts
Deputy Director
Utah Department of Health
P.O. Box 143101
Salt Lake City, UT 84114

Dear Mr. Checketts:

On June 24, 2016, Governor Gary R. Herbert submitted to Secretary Sylvia Burwell Utah's request for a five-year extension of its "Primary Care Network (PCN)" section 1115 demonstration (Project Number 11-W-00145/8 and 21-W-00054/8). On August 19, 2016, the Centers for Medicare & Medicaid Services (CMS) determined that state's extension request met the requirements for a complete extension request as specified under section 42 CFR 431.412(c). However, this renewal application does not meet the statutory requirements to be processed under section 1115(f) of the Social Security Act. We have been in contact with your staff to discuss the other authority for which your renewal will be processed.

While we continue to talk to your staff about the five-year renewal request, CMS is granting a temporary extension of the PCN demonstration, which is due to expire on December 31, 2016, until December 31, 2017.

The demonstration will continue to operate under the authority of section 1115(a) of the Social Security Act. Additionally, the current list of waivers, expenditure authorities, and special terms and conditions will continue to apply to the PCN demonstration until December 31, 2017.

If you have any questions, please do not hesitate to contact your project officer, Ms. Shanna Janu. Ms. Janu can be reached at (410) 786-1370, or at shanna.janu@cms.hhs.gov. We look forward to continuing to work with you and your staff on this demonstration.

Sincerely,

/s/

Eliot Fishman
Director

cc: Richard Allen, Associate Regional Administrator, CMS Denver Regional Office

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S2-26-12
Baltimore, Maryland 21244-1850



February 29, 2016

Nate Checketts
Interim Deputy Director
Utah Department of Health
P.O. Box 143101
Salt Lake City, UT 84114

Dear Mr. Checketts:

This letter is to inform you that the Centers for Medicare & Medicaid Services (CMS) has approved your request to extend Utah's section 1115 demonstration, entitled "Primary Care Network (PCN)" (Project Nos. 11-W-00145/8 and 21-W-00054/8). This letter authorizes the PCN demonstration, which was due to expire on February 29, 2016, to operate with no changes to the demonstration, through December 31, 2016.

CMS approval of this section 1115 demonstration extension is subject to the limitations specified in the approved waiver authorities and compliance with the enclosed Special Terms and Conditions (STC) defining the nature, character, and extent of federal involvement in this project. The state may deviate from the Medicaid state plan requirements only to the extent those requirements have been waived or specifically listed as not applicable to the expenditure authorities. The approval is subject to CMS receiving your written acknowledgement of the award and acceptance of these STCs within 30 days of the date of this letter. A copy of the revised STCs, waivers, and expenditure authorities are enclosed.

Your project officer for this demonstration is Ms. Shanna Janu. She is available to answer any questions concerning your section 1115 demonstration. Ms. Janu's contact information is:

Centers for Medicare & Medicaid Services
Center for Medicaid & CHIP Services
Mail Stop: S2-01-16
7500 Security Boulevard
Baltimore, MD 21244-1850
Telephone: (410) 786-1370
E-mail: shanna.janu@cms.hhs.gov

Official communications regarding program matters should be sent simultaneously to Ms. Janu and to Mr. Richard Allen, Associate Regional Administrator for the Division of Medicaid & Children's Health in the Denver Regional Office. Mr. Allen's contact information is as follows:

Page 2 – Mr. Nate Checketts

Centers for Medicare & Medicaid Services
Division of Medicaid and Children's Health
Colorado State Bank Building
1600 Broadway, Suite 700
Denver, Colorado 80202-4367
Email: Richard.Allen@cms.hhs.gov

If you have any questions regarding this approval, please contact Mr. Eliot Fishman, Director, State Demonstrations Group, Center for Medicaid & CHIP Services at (410) 786-9686.

We look forward to continuing to work with you and your staff on the operation of this demonstration.

Sincerely,

/s/

Vikki Wachino
Director

cc: Richard Allen, Associate Regional Administrator, CMS Denver Regional Office
Mandy Strom, CMS Denver Regional Office

**CENTERS FOR MEDICARE & MEDICAID SERVICES
WAIVER LIST**

NUMBERS: 11-W-00145/8 Title XIX
21-W-00054/8 Title XXI

TITLE: Primary Care Network (PCN)

AWARDEE: Utah Department of Health

Under the authority of section 1115(a)(1) of the Social Security Act (the Act), the following waivers are granted to enable Utah to operate the Utah Primary Care Network section 1115 demonstration. These waivers are effective beginning February 29, 2016 through December 31, 2016 and are limited to the extent necessary to achieve the objectives described below. These waivers may only be implemented consistent with the approved Special Terms and Conditions (STCs) set forth in an accompanying document.

Title XIX Waivers

All requirements of the Medicaid program expressed in law, regulation, and policy statement, not expressly waived in this list, shall apply to the demonstration project under Title XIX of the Social Security Act (the Act) beginning effective February 29, 2016 through December 31, 2016. In addition, these waivers may only be implemented consistent with the approved STCs.

1. Statewideness/Uniformity **Section 1902(a)(1)**

To enable the state to provide differing types of managed care plans in certain geographical areas of the state for Title XIX populations affected by this demonstration.

2. Amount, Duration, and Scope of Services and Comparability **Section
1902(a)(10)(B)**

To enable the state to provide benefits to Title XIX state plan populations affected by this demonstration (defined as “Current Eligibles”) that are less than those available to other individuals under the state plan. In addition, this waiver enables the state to include additional benefits for Demonstration Eligibles and Current Eligibles, who are enrolled in a managed care delivery system, such as case management and health education, compared to the benefits available to individuals eligible under the state plan that are not affected by the demonstration.

3. Freedom of Choice **Section 1902(a)(23)(A)**

To enable the state to restrict freedom of choice of providers for Title XIX populations affected by this demonstration. No waiver of freedom of choice is authorized for family planning providers.

4. Early Periodic Screening, Diagnosis, and Treatment (EPSDT) Section 1902(a)(43)

To enable the state not to cover certain services required to treat a condition identified during an EPSDT screening. This waiver applies to 19 and 20 year olds for all Title XIX populations affected by this demonstration.

Title XXI Waivers

All requirements of the Children's Health Insurance Program (CHIP) expressed in law, regulation, and policy statement, not expressly waived in this list, shall apply to the demonstration project under Title XXI of the Act beginning December 19, 2014 through December 31, 2015. In addition, these waivers may only be implemented consistent with the approved STCs.

1. Cost Sharing Exemption for American Indian/Alaskan Native (AI/AN) Children Section 2102

To the extent necessary to permit AI/AN children who are in all CHIP populations affected by this demonstration, and whose benefits are limited to premium assistance, to be charged premiums and/or cost sharing by the plans in which they are enrolled.

2. Benefit Package Requirements Section 2103

To permit the state to offer a benefit package for all CHIP populations affected by this demonstration that is limited to premium assistance.

3. Cost Sharing Section 2103(e)

To the extent necessary to permit all CHIP populations affected by this demonstration, whose benefits are limited to premium assistance, to have cost sharing imposed by employer-sponsored insurance plans.

4. Qualified Employer Sponsored Coverage Section 2105(c)(10)

To permit the state to continue to offer a premium assistance subsidy to all CHIP populations affected by this demonstration that does not meet the requirements of section 2105(c).

**CENTERS FOR MEDICARE & MEDICAID SERVICES
EXPENDITURE AUTHORITY**

NUMBERS: 11-W-00145/8 (Title XIX)
21-W-00054/8 (Title XXI)

TITLE: Primary Care Network (PCN)

AWARDEE: Utah Department of Health

Title XIX Costs Not Otherwise Matchable Authority

Under the authority of section 1115(a)(2) of the Social Security Act (the Act), expenditures made by the state for the items identified below (which would not otherwise be included as matchable expenditures under section 1903) shall, for the period of this demonstration, February 29, 2016 through December 31, 2016, be regarded as matchable expenditures under the state's Medicaid Title XIX state plan.

The expenditure authorities listed below promote the objectives of title XIX of the Social Security Act by providing flexibility for Utah to extend coverage to certain low-income individuals, transform healthcare service delivery networks, increase access to providers, and improve health outcomes.

- 1. Current Eligibles.** Expenditures for optional services not covered under Utah's state plan or beyond the state plan's service limitations and for cost-effective alternative services, to the extent those services are provided in compliance with the federal managed care regulations at 42 CFR 438 *et seq.*
- 2. Demonstration Population I.** Expenditures to provide PCN coverage to non-disabled and non-elderly individuals age 19 through 64 with incomes above the Medicaid standard but at or below 95 percent of the federal poverty level (FPL) (effectively 100 percent with the 5 percent income disregard) who are not otherwise eligible for Medicaid.
- 3. Demonstration Population II.** Expenditures to provide full Medicaid coverage to high-risk pregnant women with assets in excess of the limit established by the state plan.
- 4. Demonstration Population III.** Expenditures for premium assistance related to providing 12 months of guaranteed eligibility to subsidize the employee's share of the costs of the insurance premium for employer sponsored health insurance to non-disabled and non-elderly low-income workers age 19 through 64 with incomes above the Medicaid standard but at or below 200 percent of the FPL, as well as their spouses, who are not otherwise eligible for Medicaid. Also, expenditures for premium assistance to subsidize the employee's share of the premium for their children, age 19 through 26, who are enrolled in their parents' ESI plan.

- 5. Demonstration Population V.** Expenditures for premium assistance related to providing up to a maximum of 18 months of eligibility to subsidize the employee's share of the costs of the COBRA premium for COBRA continuation of coverage to non-disabled and non-elderly low-income workers age 19 through 64 with incomes above the Medicaid standard but at or below 200 percent of the FPL, as well as their spouses, who are not otherwise eligible for Medicaid.

Title XIX Requirements Not Applicable to the Demonstration Eligible Populations

All requirements of the Medicaid program expressed in law, regulation, and policy statement not expressly identified as not applicable to these expenditure authorities shall apply to the demonstration for the period of this demonstration extension.

1. Amount, Duration, and Scope of Services and Comparability **Section 1902(a)(10)(B)**

To enable the state to vary the amount, duration, and scope of services offered to individuals by demonstration group, with the exception of Demonstration Population II to whom state plan services will be provided. In addition, this waiver enables the state to include additional benefits such as case management and health education not available to Medicaid beneficiaries enrolled in a managed care delivery system.

2. Federally Qualified Health Centers Payments **Section 1902(a)(15) and Section 1902 (bb)**

To permit the state to pay for Federally Qualified Health Center services provided to Demonstration Population I beneficiaries on a basis other than a prospective payment system.

3. Retroactive Eligibility **Section 1902(a)(34)**

To permit the state to eliminate retroactive eligibility for individuals in Demonstration Populations I and III.

Title XXI Costs Not Otherwise Matchable

Under the authority of section 1115(a)(2) of the Act as incorporated into Title XXI by section 2107(e)(2)(A), state expenditures described below, shall, for the period of this demonstration extension, February 29, 2016 through December 31, 2016, and to the extent of the state's available allotment under section 2104 of the Act, be regarded as matchable expenditures under the state's Title XXI plan. All requirements of Title XXI will be applicable to such expenditures for Demonstration Population VI, described below, except those specified below as not applicable to these expenditure authorities.

- 1. COBRA Children (Demonstration Population VI).** Expenditures to provide premium assistance and benefits specified in the Special Terms and Conditions (STCs), to children up to age 19 with family income up to and including 200 percent of the FPL who would meet the definition of a targeted low-income child except for continuation of coverage in accordance with the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA), Pub. L. 99-272, and who elect to receive such premium assistance within 60 days after the date of approval of this authority. Such expenditures are authorized without regard to the funding limitation under section 2105(c)(2) of the Act. Moreover, the Title XXI requirements listed below do not apply to the benefits for this population.

Title XXI Requirements Not Applicable to CHIP Expenditure Authorities for Demonstration Population VI

- 1. General Requirements, and Eligibility Screening Requirements** **Section 2102**

The state child health plan does not have to reflect the demonstration population. Eligibility screening is not required to exclude eligibility for individuals enrolled in continuation coverage pursuant to COBRA.

- 2. Restrictions on Coverage and Eligibility to Targeted Low-Income Children** **Section 2103 and 2110**

Coverage and eligibility is not restricted to targeted low-income children, to the extent that it includes individuals enrolled under continuation coverage pursuant to COBRA.

- 3. Qualified Employer Sponsored Coverage** **Section 2105(c)(10)**

To permit the state to offer a premium assistance subsidy that does not meet the requirements of section 2105(c).