



*State of Rhode Island & Providence Plantations
House of Representatives
House Committee on Finance
Room 308, State House
Providence
02903*

STEVEN M. COSTANTINO
CHAIR
401-222-2738

August 29, 2008

Gary D. Alexander, Director
Department of Human Services
600 New London Avenue, Bldg #57
Cranston, RI 02920

Dear Director Alexander:

It has come to my attention that the global waiver application is encountering significant congressional concern, and possible opposition. Both the chair of the U.S. Senate Finance Committee and the chair of the U.S. Senate Finance Subcommittee on Health have publicly expressed concerns about the Rhode Island global waiver application. Both have requested that Secretary Leavitt allow sufficient time for input and for a deliberative process. I am of the understanding that significant review of the waiver has not yet begun. I am also aware of similar concerns from U.S. House committees with jurisdiction on Medicaid.

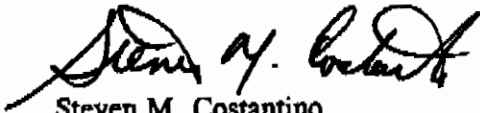
I believe the House Committee on Finance was aware of the possibilities of opposition in Washington and that the waiver would not be smooth sailing. However, the Committee did support the application, based upon assurances that the Department would be able to gain approval in a timely manner and would be able to implement that waiver.

At the same time, the Committee members and I, on the three occasions that you have testified before us, have stressed the need to go forward on an alternative course simultaneously of pursuing the individual waivers, waiver amendments, and state plan amendments authorized under current Rhode Island statutes to implement as much of the global waiver program as possible. I am satisfied from your testimony to the Committee as well as my own investigations that this would in no way jeopardize the global waiver application.

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I request that you supply to the Committee your plan for pursuing this alternate "Plan B", the actions you have taken to date, and the actions you have taken to implement either the global waiver or "Plan B" so that the state is not faced with the necessity of a significant supplemental appropriations, significant service reductions to human service programs, or changes beyond those you presented to the House Finance Committee as within the global waiver. I request that information as soon as practicable, but no later than September 10, 2008, with copies to the Chairman of the Senate Finance Committee.

Sincerely,



Steven M. Costantino
Chairman
House Committee on Finance

cc: Members, House Committee on Finance
Honorable Stephen D. Alves, Chairman, Senate Committee on Finance
Brian P. Stern, Chief of Staff, Office of the Governor
Adelita S. Orefice, Deputy Secretary, Executive Office of Health and Human Services