



Centers for Medicaid and State Operations

APR 25 2007

Frederick P. Cerise, M.D., M.P.H.
Secretary
Louisiana Department of Health and Hospitals
Bienville Building
628 N. 4th Street
P.O Box 629
Baton Rouge, Louisiana 70821-0629

Dear Dr. Cerise:

As you know, one of the critical issues in the state efforts to redesign the Louisiana health care system has been the development of reliable estimates on the number of low-income residents who are uninsured. Without such estimates, it has been difficult for policymakers to determine the level of resources that would be needed to sustain a viable redesign plan.

Our respective technical staffs have spent many hours deliberating the various data sources in order to provide us with the needed estimates. Our mutual work was enhanced with the expertise found in the recent report, *Estimating the Number of Uninsured Louisiana Residents Under 200% of Federal Poverty in Post-Hurricane Louisiana* conducted by the Public Policy Research Lab at Louisiana State University. Based on the most recent discussions, we accept the following core estimates that have been developed:

Category	Number of Individuals	Percent of Uninsured
Uninsured in the State	657,027	100%
Uninsured Children (<19) in the State	91,961	14%
Uninsured Children (<19) Under 200% FPL	68,051	10%
Uninsured Adults (19-65) in the State	565,066	86%
Uninsured Adults (19-65) Under 200% FPL	378,594	58%
Adults below 200% FPL within Medicaid categories	184,408	28%
Adults below 200% FPL Not within Medicaid categories	194,186	30%

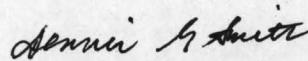
- These figures show the total number of uninsured in the State to be approximately 64,000 lower than what CMS has previously estimated and 160,000 lower than state estimates.
- The figures show the number of uninsured adults below 200% of FPL, the key group for the redesign effort, to be 10,000 lower than previous CMS estimates and 120,000 lower than state estimates.
- These figures show the number of uninsured adults below 200% of FPL who are not within a potential Medicaid-eligible category, the key group to be included under a demonstration project, to be 47,000 lower than previous CMS estimates and 116,000 lower than state estimates.

In all, this is positive news for the redesign effort and reaffirms that the Collaborative's proposal may be accomplished. I am pleased that we are able to accept these estimates to be used to establish a baseline for any financial analysis that can support the development of Louisiana's demonstration project.

We look forward to receiving your demonstration project proposal and any associated Medicaid state plan amendments (SPAs) to redesign the Louisiana health care system to become more capable of serving the health care needs of residents of Louisiana. You may be assured that we will work closely with your staff to expedite the approval of any SPAs and waiver requests to accomplish this important goal.

My staff is also available to provide technical assistance to your staff to assist in the drafting of these documents. We appreciate the considerable efforts Louisiana has put into this initiative to date. If you have any questions, please contact Jean Sheil, Director of the Families and Children Health Program at (410) 786-1285.

Sincerely,



Dennis G. Smith
Director