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

Center for Medicaid and State Operations

October 21, 2009

Donald E. Williamson, M.D. State Health Officer Alabama Department of Public Health The RSA Tower 201 Monroe Street Montgomery, AL 36104

Dear Dr. Williamson:

We are pleased to inform you that your title XXI Children's Health Insurance Program (CHIP) State plan amendment (SPA), submitted August 12, 2009 has been approved.

This amendment permits Alabama to expand the income eligibility level for children from its current income level up to 300 percent of the Federal poverty level (FPL). Additionally, this SPA will allow Alabama to apply cost-sharing requirements to children in this new expansion group. Premium amounts for this group will be \$100 per year per child up to a family maximum of \$300 per year. This SPA will also allow Alabama to apply copayments to health care services for children in families with incomes above 200 percent of the FPL, not to exceed \$15 except the copayment for non-emergency use of the emergency room which will be \$20. Additionally, this SPA modifies Alabama's notification procedures for its premium grace period to come into compliance with the new requirements of section 504 of the CHIPRA. This amendment has an effective date of October 1, 2009.

Your title XXI project officer is Ms. Ticia Jones. She is available to answer questions concerning this amendment. Ms. Jones' contact information is as follows:

Centers for Medicare & Medicaid Services Center for Medicaid and State Operations Mail Stop S2-01-16 7500 Security Boulevard Baltimore, MD 21244-1850 Telephone: (410) 786-8145 Facsimile: (410) 786-5882 E-mail: <u>Ticia.Jones@cms.hhs.gov</u>

Official communications regarding program matters should be sent simultaneously to Ms. Jones and to Ms. Mary Kaye Justis, Acting Associate Regional Administrator (ARA) for the Centers

Page 3 - Dr. Donald E. Williamson

for Medicare & Medicaid Services, Region IV, Division of Medicaid and State Operations. Ms. Justis' address is:

Centers for Medicare & Medicaid Services – Region IV Atlanta Federal Center, 4th Floor 61 Forsyth Street, SW 4T20 Atlanta, GA 30303-8909

If you have additional questions, please contact Ms. Dianne Heffron, Acting Director, Family and Children's Health Programs Group, Center for Medicaid and State Operations, at (410) 786-5647.

We look forward to continuing to work with you and your staff.

Sincerely,

/s/

Charlene Frizzera Acting Administrator

cc: Ms. Mary Kaye Justis, Acting ARA, CMS Region IV