Administrator Washington, DC 20201

APR 13, 2009

Ms. Monica Coury Assistant Director Office of Intergovernmental Relations Arizona Health Care Cost Containment System 801 East Jefferson Phoenix, AZ 85034

Dear Ms. Coury:

We are pleased to inform you that your State Children's Health Insurance Program (SCHIP) State plan amendment submitted February 11, 2009, has been approved. This amendment proposes to increase monthly premium amounts for children between 150 percent to 200 percent of the Federal poverty level (FPL). Arizona's new monthly premium amounts will be as follows:

Federal Levels	Poverty	1 st Child	More than 1 Child
151% - 175%		\$40.00	\$60.00 Total
176% - 200%		\$50.00	\$70.00 Total

Given the potential impact of cost-sharing increases on enrollees' access to care, CMS strongly encourages the State to regularly monitor the affect of this approved State Plan change, including surveying enrollees about their experiences. In addition, we want to make you aware that Section 504 of the Children's Health Insurance Program Reauthorization Act (CHIPRA) regarding providing enrollees a minimum premium grace period before termination of coverage became effective for coverage periods beginning on or after the February 4, 2009 enactment date.

Your title XXI project officer is Ms. Tonya Moore. She is available to answer questions concerning this amendment and other SCHIP-related issues. Ms. Moore's 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) 786-0019 Facsimile: (410) 786-5882

E-mail: tonya.moore@cms.hhs.gov

Official communications regarding program matters should be sent simultaneously to Ms. Moore and to Ms. Gloria Nagel, Associate Regional Administrator for the Division of Medicaid & Children's Health in the San Francisco Regional Office. Ms. Nagel's contact information is as follows:

Centers for Medicare & Medicaid Services Division of Medicaid & Children's Health 90 7th Street, Suite 5-300 (5W) San Francisco, CA 94103-6707

We extend our congratulations to you on this award and we appreciate your cooperation throughout the review process. 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. Gloria Nagel, ARA, CMS San Francisco Regional Office