July 19, 2007

Mr. Paul Reinhart, Director Medical Services Administration State of Michigan Department of Community Health Capitol Commons Center P.O. Box 30479 Lansing, MI 48909-7979

Dear Mr. Reinhart:

We are pleased to inform you that your title XXI State Children's Health Insurance Program (SCHIP) State plan amendment submitted on March 8, 2007, with additional information submitted on June 8, 2007, has been approved. This amendment increases premiums for children with family incomes from above 150 percent of the Federal poverty level (FPL) up to and including 200 percent of the FPL. The retroactive effective date for this SPA is April 1, 2007.

Your title XXI project officer is Ms. Susan Gratzer. She is available to answer questions concerning this amendment and other SCHIP-related issues. Ms. Gratzer'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) 786-8694 Facsimile: (410) 786-5882 E-mail: Susan.Gratzer@cms.hhs.gov

Official communications regarding program matters should be sent simultaneously to Ms. Gratzer and to Ms. Phyllis M. Smith, Acting Associate Regional Administrator in our Chicago Regional Office. Ms. Smith's address is:

Centers for Medicare & Medicaid Services Division of Medicaid and State Operations 233 North Michigan Avenue, Suite 600 Chicago, IL 60601 Page 2 – Mr. Paul Reinhart

If you have additional questions, please contact Ms. Jean Sheil, 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/

Leslie V. Norwalk, Esq. Acting Administrator Page 3 – Mr. Paul Reinhart

cc: CMS Region V, Chicago