

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

December 17, 2009

Mr. John R. Guhl
Director
Division of Medical Assistance and Health Services
New Jersey Department of Human Services
7 Quakerbridge Plaza
P.O. Box 712
Trenton, NJ 08625-0712

Dear Mr. Guhl:

We are pleased to inform you that your 15th title XXI Children's Health Insurance Program (CHIP) State plan amendment (SPA) submitted on September 25, 2009, with additional information and revised State plan pages submitted on November 17, 2009, has been approved. This SPA eliminates premiums in New Jersey's separate CHIP for children with family incomes above 150 up to and including 200 percent of the Federal poverty level (FPL). Children with family incomes at or below 150 percent of the FPL have already been exempt from paying premiums. This SPA has a retroactive effective date of July 1, 2009.

In addition, New Jersey submitted information in this SPA indicating that its current procedures are consistent with the new requirements of section 504 of the Children's Health Insurance Program Reauthorization Act of 2009 (CHIPRA) with respect to the premium grace period for children with family incomes above 200 percent of the FPL, who will still be subject to premiums. Section 504 of CHIPRA amends the cost sharing provisions at section 2103(e)(3) of the Social Security Act with respect to separate title XXI programs that require cost sharing in the form of premiums. This new CHIPRA provision requires States to grant enrollees at least a 30-day grace period from the beginning of each new coverage period to pay any required premium before enrollment is terminated, and also to provide timely notice to families that failure to make the required premium payment within the grace period may result in termination of coverage.

Your title XXI project officer is Ms. Kathy Cuneo. She is available to answer questions concerning this amendment and other CHIP-related issues. Ms. Cuneo's contact information is as follows:

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7500 Security Boulevard

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Official communications regarding program matters should be sent simultaneously to Ms. Cuneo and to Ms. Sue Kelly, Associate Regional Administrator in our New York Regional Office. Ms. Kelly's address is:

Centers for Medicare & Medicaid Services
Division of Medicaid and Children's Health
26 Federal Plaza, Room 37-11
New York, NY 10278-0063

If you have additional questions, please contact Ms. Maria Reed, Deputy Director, Family and Children's Health Programs Group at (410) 786-5647.

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

Sincerely,

/s/

Cindy Mann
Director

cc: Sue Kelly, ARA, CMS Region II, New York