DEPARTMENT OF HEALTH & HUMAN SERVICES Centers for Medicare & Medicaid Services 7500 Security Boulevard, Mail Stop S2-01-16 Baltimore, Maryland 21244-1850



Center for Medicaid and State Operations, Family and Children's Health Programs Group

December 18, 2009

Ms. Judy Mohr-Peterson, Administrator Division of Medical Assistance Program Department of Human Services 500 Summer Street NE, E-49 Salem, OR 97301-1014

Dear Ms. Mohr-Peterson:

We are pleased to inform you that your title XXI Children's Health Insurance Program (CHIP) State plan amendment (SPA), submitted July 27, 2009, with additional information submitted on August 27, 2009, has been approved.

This amendment permits Oregon to expand the income eligibility level for CHIP children through age 18 from 185 percent of the Federal poverty level (FPL) up to and including 300 percent of the FPL under the State's Healthy Kids initiative. This SPA is a companion amendment to the State's section 1115 title XXI demonstration amendment. As part of this CHIP SPA amendment, Oregon is approved to create a new private insurance option, referred to as Healthy KidsConnect, specifically for children from 200 up to and including 300 percent of the FPL under Secretary-approved coverage. The State projects that this eligibility expansion, in combination with its expansion to children in premium assistance under the State's Section 1115 demonstration, will result in the coverage of an additional 80,000 children over the next two years.

In addition, the State is approved to institute an Application Assistance Program to assist families applying for CHIP and other child health programs in the State as part of its Healthy Kids initiative, finance an outreach and enrollment grant program designed to provide culturally-specific and targeted outreach and direct application assistance to families in racial, ethnic and language minority communities living in geographic isolation or with additional access barriers, reduce the waiting period of uninsurance for CHIP coverage from 6 months to 2 months, and eliminate the asset test in CHIP.

This amendment will have a retroactive effective date of October 1, 2009, for the expansion of eligibility from 185 percent of FPL through 200 percent of the FPL, as well as for the application assistance program, outreach and enrollment grant program, the waiting period reduction, and elimination of the asset test. This amendment will have an effective date of January 1, 2010, for the expansion of eligibility from 200 percent of the FPL up to and including 300 percent of the FPL. However, the State must receive approval for its section 1115 demonstration amendment in order to permit children to enroll in its premium assistance programs.

Your title XXI project officer is Mr. Jeffrey Silverman. He is available to answer questions concerning this amendment and other CHIP-related issues. Mr. Silverman'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) 786-8679 Facsimile: (410) 786-5882 E-mail: jeffrey.silverman@cms.hhs.gov

Official communications regarding program matters should be sent simultaneously to Mr. Silverman and to Ms. Barbara Richards, Acting Associate Regional Administrator in our Seattle Regional Office. Ms. Richards' address is:

> Centers for Medicare & Medicaid Services Division of Medicaid and Children's Health Mail Stop RX-43 2201 6th Avenue Seattle, WA 98121

If you have additional questions, please contact Mr. Clarke Cagey, Acting Director, Family and Children's Health Programs Group, Centers for Medicaid and State Operations, at (410) 786-3135.

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

Sincerely,

/s/

Cindy Mann Director

cc: CMS Region X, Seattle