DEPARTMENT OF HEALTH & HUMAN SERVICES Centers for Medicare & Medicaid Services Jacob K. Javits Federal Building 26 Federal Plaza Room 37-100 New York, New York 10278-0063



February 17, 2011

Valerie Harr, Director State of New Jersey Department of Human Services Division of Medical Assistance and Health Services P.O. Box 712 Trenton, New Jersey 08625-0712

Dear Ms. Harr:

We have completed our review of New Jersey State Plan Amendment submittal 10-01, "Treatment of Census Income" (Supplement 8a to Attachment 2.6-A, Pages 2 and 3and Supplement 12 to Attachment 2.6-A Page 3b) and find it acceptable for incorporation into New Jersey's Medicaid Plan, effective January 1, 2010. Enclosed please find copies of State Plan Amendment 10-03 and Form CMS-179.

Please note that as agreed, we have substituted the originally submitted pages with the revised pages that New Jersey transmitted to our office via e-mail on January 19, 2011 and February 8, 2011.

If you have any questions or wish to discuss this further, please contact Patricia Ryan of my staff at 212-616-2436.

Sincerely,

/s/

Sue Kelly Associate Regional Administrator Division of Medicaid and Children's Health

Enclosures