



**Center for Medicaid, CHIP and Survey & Certification**

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***CMCS Informational Bulletin***

**DATE:** April 29, 2010

**FROM:** Cindy Mann, Director  
Center for Medicaid, CHIP and Survey & Certification (CMCS)

**SUBJECT: State Flexibility for Medicaid Benefit Packages Final Regulation on Display in the Federal Register**

I am writing to inform you that today, the Centers for Medicare & Medicaid Services put on display in the Federal Register the Final Rule regarding the State Flexibility for Medicaid Benefit Packages made available to States in the Deficit Reduction Act (DRA) of 2005.

Section 6044 of the DRA of 2005 amended title XIX of the Social Security Act (the Act) by adding a new section 1937. This section gives States the option to design “benchmark” or “benchmark-equivalent” benefit packages to be provided to certain populations that the Medicaid program covers. This final rule defines terms such as “benchmark and benchmark-equivalent” coverage and offers additional guidance regarding public notice processes, populations that are exempt from the benchmark option and the parameters for voluntary versus mandatory enrollment in benchmark plans.

This regulation will become effective on July 1, 2010 and includes modifications required by the Children’s Health Insurance Program Reauthorization Act of 2009. This regulation will be followed by a forthcoming regulation that will codify the benefits changes found in the Affordable Care Act of 2010. As required by CHIPRA, this final rule establishes that States may waive statutory requirements related to state-wideness and comparability, but must comply with all other provisions of Medicaid, including freedom of choice and the assurance of necessary transportation, unless the provision would be contrary to implementation of the benchmark plan.

The regulation is available for viewing at  
[http://www.federalregister.gov/OFRUpload/OFRData/2010-09734\\_PI.pdf](http://www.federalregister.gov/OFRUpload/OFRData/2010-09734_PI.pdf).

Thank you for your continued commitment to these critical health coverage programs. Questions regarding this rule can be directed to Ginni Hain, Director, Division of Eligibility and Benefits, Family and Children’s Health Programs Group, at 410-786-6036 or via email at [ginni.hain@cms.hhs.gov](mailto:ginni.hain@cms.hhs.gov).