

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**

September 30, 2009

Ms. Judith Arnold, Director  
Division of Coverage and Enrollment  
Office of Health Insurance Programs  
State of New York Department of Health  
Corning Tower  
Empire State Plaza  
Albany, NY 12237-0004

Dear Ms. Arnold:

We are pleased to inform you that your fourteenth title XXI Children's Health Insurance Program (CHIP) State plan amendment (SPA) submitted on July 6, 2009, with additional information and revised State plan pages submitted on August 27, 2009, and also further information provided on September 8, 9, and 10, 2009, has been approved. This amendment has a retroactive effective date of July 1, 2009.

This SPA increases premiums in New York's separate CHIP for children with gross family incomes between 251 and 400 percent of the Federal poverty level (FPL). The State enacted legislation providing for these premium increases in CHIP as part of the 2009-2010 State budget and published a public notice of the new premium amounts in the New York State Register on May 20, 2009. Premium increases do not exceed the 5 percent cap on cost sharing, and there is no other form of cost sharing in New York's program. Children with gross family incomes at or below 250 percent of the FPL are not affected by the premium increases.

In addition, New York submitted information to the Centers for Medicare & Medicaid Services 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). 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.

New York has indicated that it provides a premium grace period. The State does not terminate enrollees who have failed to pay their premiums by the beginning of the month of coverage and allows the family until the last day of the month of coverage in which to pay the premium. In cases when payment has not been received 15 days prior to the start of the coverage month, New York sends a notice informing the family that the enrollee will be terminated for non-payment of the premium if the payment is not received by the last day of the month of coverage. This notice also informs the family of the right to challenge the termination for non-payment of the premium.

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:

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) 786-5913  
Facsimile: (410) 786-5943  
E-mail: kathleen.cuneo@cms.hhs.gov

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, Center for Medicaid and State Operations, at (410) 786-5647.

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

Sincerely,

/s/

Charlene Frizzera  
Acting Administrator

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cc: CMS Region II, New York