



**Center for Medicaid and CHIP Services**

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***CMCS Informational Bulletin***

**DATE:** February 22, 2012

**FROM:** Cindy Mann, Director  
Center for Medicaid and CHIP Services (CMCS)

**SUBJECT: Review and Approval Process for Medicaid and CHIP Section 1115  
Demonstrations – Final Rule and Other New Assistance to States**

Today the Centers for Medicare & Medicaid Services (CMS) put on display at the *Federal Register* a final rule that establishes a process to promote State and Federal transparency for Medicaid and Children's Health Insurance Program (CHIP) demonstrations. The rule is designed to ensure public input in the development, review, and approval (or extension) of Medicaid and CHIP demonstration projects under section 1115 of the Social Security Act.

This final regulation codifies the provisions of section 10201(i) of the Affordable Care Act of 2010, and is available for viewing today at [http://www.ofr.gov/\(X\(1\)S\(vptsjs314z120avnzsgtvpg\)\)/OFRUpload/OFRData/2012-04354\\_PI.pdf](http://www.ofr.gov/(X(1)S(vptsjs314z120avnzsgtvpg))/OFRUpload/OFRData/2012-04354_PI.pdf). After today, it will be posted at <http://www.access.gpo.gov> listed under the publication date of February 22, 2012, or you can access it at <http://medicaid.gov/Federal-Policy-Guidance/Federal-Policy-Guidance.html>. A fact sheet on the rule is available at: <http://www.cms.gov/apps/media/press/factsheet.asp?Counter=4284>.

This final rule is effective on April 27, 2012. To facilitate the implementation of the rule, we are modifying our section 1115 demonstration information on [www.Medicaid.gov](http://www.Medicaid.gov) and developing a demonstration application template that States can use to submit to CMS.

We will extend a forthcoming invitation to State Medicaid and CHIP agencies to participate in an all-State call on Tuesday, February 28, 2012, from 3-4pm ET, to provide a more detailed overview of the final rule related to section 1115 demonstration and answer questions. We look forward to working closely with States and other stakeholders to ensure that the Medicaid and CHIP section 1115 demonstration review process is transparent and completed in a timely manner. Please contact Jessica Schubel with any questions at [Jessica.Schubel@cms.hhs.gov](mailto:Jessica.Schubel@cms.hhs.gov).

For more information about approved and pending section 1115 demonstrations, please see: <http://www.medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Waivers/1115/Section-1115-Demonstration.html>

In addition, today the Departments of Health and Human Services (HHS) and Treasury finalized regulations outlining the steps States may pursue in order to receive a State Innovation Waiver under the Affordable Care Act, providing States with the flexibility to innovate and implement the health care solutions through the Exchanges, beginning in January 2017. The final rule, available at

[http://www.ofr.gov/\(X\(1\)S\(04oh2m0j2iptxgb30tfl0wol\)\)/OFRUpload/OFRData/2012-04395\\_PI.pdf](http://www.ofr.gov/(X(1)S(04oh2m0j2iptxgb30tfl0wol))/OFRUpload/OFRData/2012-04395_PI.pdf) describes the process for filing a State Innovation waiver application, along with the content of the application and the process for the public to review and comment on proposed waivers. More information on the State Innovation Waivers is available at:

<http://www.cms.gov/apps/media/press/factsheet.asp?Counter=4282>

Finally, today HHS announced the award of \$229 million in Affordable Insurance Exchange grants to 10 States to help them create Exchanges, giving these states more flexibility and resources to implement the Affordable Care Act. Today's awards bring to 33 the number of States that are making significant progress in creating Affordable Insurance Exchanges. More information on Exchange Grants is available at:

<http://www.healthcare.gov/news/factsheets/2011/05/exchanges05232011a.html>

To view the press release for today's announcements please visit:

<http://www.cms.gov/apps/media/press/release.asp?Counter=4283>