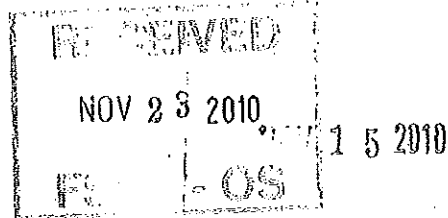


DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S2-26-12
Baltimore, Maryland 21244-1850



Center for Medicaid, CHIP and Survey & Certification

Anne W. Murphy
Secretary
Indiana Family and Social Services Administration
402 W. Washington Street
P.O. Box 7083
Indianapolis, IN 46207-7083



Dear Ms. Murphy:

Thank you for your letter regarding the implementation of the Affordable Care Act. Specifically, you seek clarification on how 209(b) States will be treated under this new legislation and express concerns over the possible financial implications to the State of Indiana.

I recognize that States are eager for guidance from the Center for Medicaid, CHIP and Survey & Certification on the implementation of the Affordable Care Act. My staff is working carefully and as quickly as possible to get guidance out to States. Given the enormity of the changes engendered by health care reform, and the complexity of the programs involved, the Centers for Medicare & Medicaid Services (CMS) will make every effort to ensure that Indiana and all States receive timely, comprehensive guidance.

As we discussed on October 15, 2010, we look forward to organizing a call for all 209(b) States to share questions and concerns and continuing to provide feedback regarding the Personal Wellness and Responsibility (POWER) Account contribution requirement under the Healthy Indiana Plan section 1115 Demonstration.

If you have any additional questions, please contact Ms. Victoria Wachino, Director of the Families and Children's Health Programs Group

Sincerely,

A handwritten signature in black ink, appearing to read "Cindy Mann".

Cindy Mann
Director