



# News Release

---

U.S. Department of Health & Human Services  
News Division

HHS Press Office  
(202) 690-6343  
[www.hhs.gov/news](http://www.hhs.gov/news)

## FOR IMMEDIATE RELEASE

February 22, 2012

### **HHS announces new assistance to states: More resources, transparency, and flexibility**

Today, HHS Secretary Kathleen Sebelius announced more assistance to states as it implements three new provisions of the Affordable Care Act. Today's announcement gives states help by:

- Providing a new round of Affordable Insurance Exchange Establishment Grants, totaling \$229 million to 10 states, to help states build new health insurance marketplaces;
- Promoting transparency and meaningful public input into the Medicaid demonstration process, and streamlining the federal-state consideration process as states test new models of care;
- Supporting innovation and implement the health care solutions that work best for them.

"We're taking important actions that will give states more resources and more flexibility, and ensure transparency thanks to the Affordable Care Act," said Secretary Sebelius. "All Americans will have access to quality, affordable health care once the Affordable Care Act is fully implemented, and today's steps are important measures that ensure that States have the help they need to administer their Medicaid programs and oversee their insurance markets while assuring meaningful input for consumers and beneficiaries."

Thanks to the Affordable Care Act, starting in 2014 Americans will have improved health coverage. Americans who do not have health care through their employer will be able to buy insurance from qualified health plans directly in an Affordable Insurance Exchange and may receive tax credits to help make coverage more affordable. In addition, all individuals under 65 years of age with incomes below 133 percent of the federal poverty level (\$14,500 for an

individual and \$29,700 for a family of four in 2011) will be eligible for Medicaid. Today's announcements will help States make this transition by giving more assistance to States as they make improvements to their Medicaid programs and insurance markets.

"As a former state health official, I know how important it is to have the right resources to ensure the health and well-being of our residents," said Marilyn Tavenner, acting administrator of the Centers for Medicare & Medicaid Services (CMS). "These announcements are good news for states and good news for millions of Americans who will enjoy better health care as the Affordable Care Act is fully implemented."

### **More Resources**

HHS is providing more resources to States to help them build their open health insurance marketplaces known as Exchanges. 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. The health care reform law gives states the freedom to design Affordable Insurance Exchanges – one-stop marketplaces where consumers will be able to choose a private qualified health plan that fits their health needs and will have the same kinds of insurance choices as members of Congress. Today's awards bring to 33 the number of states that are making significant progress in creating Affordable Insurance Exchanges. States receiving funding today include: Arkansas, Colorado, Kentucky, Massachusetts, Minnesota, Nevada, New Jersey, New York, Pennsylvania, and Tennessee.

More information on the Affordable Insurance Exchanges can be found here:  
<http://www.healthcare.gov/news/factsheets/2011/05/exchanges05232011a.html>

### **More Transparency**

The Affordable Care Act requires transparency and meaningful public input in the development, review, and approval (or renewal) of Medicaid and CHIP demonstrations. These demonstrations allow States to undertake experimental, pilot, or demonstration projects, to run all or parts of their Medicaid programs in ways that would not otherwise be consistent with federal rules, and can have significant implications for beneficiaries, providers, and states. Today's final rule ensures transparency at each stage of the demonstration development and review process without impeding the timely submission and review of demonstration applications, ensuring public input while supporting ongoing innovation. Transparency and public input help to ensure that as these changes are being proposed at the state level and reviewed at the federal level, stakeholders have an opportunity to inform the decision-making process.

For more information, please visit: [http://www.cms.gov/apps/media/fact\\_sheets.asp](http://www.cms.gov/apps/media/fact_sheets.asp)

## **More Flexibility**

HHS along with the Department of Treasury finalized a rule today providing more flexibility to States to find the health care solutions that work best for them. The Affordable Care Act gives states the option to receive a State Innovation Waiver so they may pursue their own innovative strategies to ensure their residents have access to high quality, affordable health insurance. Under the law, State Innovation Waivers are available in 2017, and today's final rules provide detail how States can work with HHS to ensure their residents have the protections provided in the Affordable Care Act and access to innovative State approaches.

In addition, states will have more flexibility to apply for the Exchange Establishment Grants under an amended Funding Opportunity Announcement with additional application opportunities due out later this spring.

More information on the State Innovation Waivers can be found here:

<http://www.healthcare.gov/news/factsheets/2012/02/state-innovation02222012a.html>

Final rules were placed on display at the *Federal Register* today, and can be found at:

<http://www.ofr.gov/>

###