

THE SECRETARY OF HEALTH AND HUMAN SERVICES WASHINGTON, D.C. 20201

December 14, 2012

The Honorable Andrew Cuomo Governor of New York State Capitol Albany, NY 12224

Dear Governor Cuomo:

I am pleased to inform you that New York has received conditional approval to establish a State-based Exchange. Congratulations on reaching this significant milestone on the path to establishing an Exchange for the citizens of New York.

Conditional approval reflects the substantial progress the New York Health Insurance Exchange (NY-HX) has made and an expectation that NY-HX will be ready to provide affordable, quality coverage for consumers and small businesses in 2014.

The Centers for Medicare & Medicaid Services (CMS) has reached this decision based on NY-HX's self-assessment, progress to date, and expected progress across the entire spectrum of Exchange requirements, and is contingent upon the following conditions:

- 1. Timely demonstration of the ability to perform all required Exchange activities in line with the attestations New York has made in its Exchange Blueprint Application submission; and
- 2. Ongoing compliance with future guidance and regulations. During the first year of the program (plan year 2014), approval of a State-based Exchange will account for timelines related to guidance and infrastructure development.

CMS will continue its work with all Exchanges, including providing more detailed information directly to your State Exchange, NY-HX.

Kathleen Sebelius