DEPARTMENT OF HEALTH & HUMAN SERVICES Centers for Medicare & Medicaid Services Center for Consumer Information and Insurance Oversight 200 Independence Avenue SW Washington, DC 20201



May 7, 2013

Andrew Boron Director Illinois Department of Insurance James R. Thompson Center 100 W. Randolph Street Chicago, IL 60601

Re: Illinois Partnership Marketplace Conditional Approval Decision

Dear Mr. Boron:

The Centers for Medicare & Medicaid Services (CMS) thanks you for your team's continued collaboration in developing a State Partnership Marketplace (SPM) in Illinois.

We are writing to inform you that CMS no longer requires that a memorandum of understanding be signed between our agencies; therefore, that condition of Illinois' approval has been removed. Notwithstanding removal of this condition, CMS expects Illinois to perform in accordance with the attestations in its Marketplace (Exchange) Blueprint Application submission. Additionally since Illinois has informed CMS that they are no longer customizing the System for Electronic Rate and Form Filing (SERFF) platform for 2014, we have removed that condition and the accompanying requirement to secure an IV&V vendor.

Conditional approval will continue so long as Illinois continues to meet expected progress milestones and successfully demonstrates its ability to perform all required SPM activities. This decision is contingent upon the following conditions:

- 1. Illinois must demonstrate the ability to perform all required Marketplace activities in line with the attestations Illinois has made in its Marketplace (Exchange) Blueprint Application submission;
- 2. Illinois must comply with regulations and expected progress milestones. During the first year of the program (plan year 2014), approval of SPMs will account for a State's need for guidance from CMS and other federal agencies and the time necessary for infrastructure development; and
- 3. Illinois' SPM must sign a memorandum of understanding or similar instrument with Illinois' Medicaid agency that defines the roles, responsibilities and coordinated work shared by both state agencies until such time that a Marketplace entity is created.

We look forward to our continued work with Illinois' Exchange team and welcome the prospect of continued collaboration to provide health insurance access to Illinoisans through the Marketplace beginning in 2014.

Sincerely,

Gary Cohen Director Center for Consumer Information and Insurance Oversight