



DEPARTMENT OF HEALTH & HUMAN SERVICES

Centers for Medicare & Medicaid Services

Administrator

Washington, DC 20201

DEC 20 2007

Ms. Cristal A. Thomas
State Medicaid Director
Ohio Department of Job and Family Services
30 East Broad St.
Columbus, OH 43215-3414

Dear Ms. Thomas:

I am responding to your request to approve Ohio Medicaid State plan amendment (SPA) 07-014, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on September 28, 2007. Through this amendment, the State proposed to expand Medicaid eligibility by excluding all family income that is between 201 percent of the Federal poverty level (FPL) and 300 percent of the FPL in calculating income for purposes of determining eligibility. As a result, although the plan nominally provides for eligibility of optional targeted low-income children only for those with family income up to 200 percent of the FPL, in effect, the eligibility level would rise to 300 percent of the FPL. I am unable to approve SPA 07-014, because your submission indicates that the State will claim Federal matching funds at a rate other than the rate set forth in the Social Security Act, and, thus, is not consistent with methods of administration necessary for proper and efficient operation of the plan, as required by section 1902(a)(4) of the Act.

Section 1903(a)(1) of the Act requires that the Secretary pay the Federal medical assistance percentage (FMAP) of claimed State expenditures under the approved plan. The FMAP is defined at section 1905(b) of the Act. This section provides that the Federal matching rate for children described in section 1905(u)(2)(B) or (u)(3) of the Act, "is equal to the enhanced FMAP described in section 2105(b)" of the Act, unless the State has exhausted its allotment under section 2104 of the Act, under the State Children's Health Insurance Program (SCHIP) or failed to comply with maintenance of effort and proper reporting requirements. Since none of those conditions appear to apply, and the expansion group is comprised of individuals who are described in section 1905(u)(2)(B) of the Act, the enhanced FMAP is the applicable FMAP rate, and claims at any other rate would not be consistent with proper and efficient administration of the State plan. Because the State has indicated in its overall submission that the State does not plan to submit claims at the statutorily indicated FMAP rate, I conclude that the SPA is not consistent with proper and efficient plan administration, as required by section 1902(a)(4) of the Act.

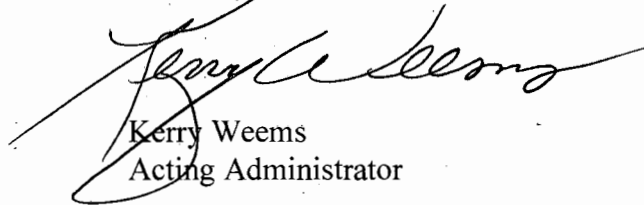
For these reasons, and after consulting with the Secretary, as required by Federal regulations at 42 CFR 430.15(c)(2), I am disapproving this SPA.

If you are dissatisfied with this determination, you may petition for reconsideration within 60 days of the receipt of this letter, in accordance with the procedure set forth at 42 CFR 430.18.

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Your request for reconsideration may be sent to Ms. Cynthia Potter, Centers for Medicare & Medicaid Services, Center for Medicaid and State Operations, 7500 Security Boulevard, Mail Stop S2-25-22, Baltimore, Maryland, 21244-1850. If you have any questions or wish to discuss this determination further, please contact Ms. Verlon Johnson, Associate Regional Administrator, CMS Region V, Division of Medicaid and Children's Health Operations.

Sincerely,

A handwritten signature in black ink, appearing to read "Kerry Weems", written over a printed name and title.

Kerry Weems
Acting Administrator

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cc: Verlon Johnson, ARA, Chicago Regional Office