



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

January 3, 2013

Susana Martinez
Governor
490 Old Santa Fe Trail
Room 400
Santa Fe, New Mexico 87501

Dear Governor Martinez:

I am pleased to inform you that New Mexico has received conditional approval to establish a State-based Exchange. We commend New Mexico for taking this important step towards providing affordable health insurance for consumers. Congratulations on reaching this milestone on the path to establishing an Exchange for the people of New Mexico.

Conditional approval reflects the expectation that the New Mexico Health Insurance Exchange (NMHIX) is developing a State-based Exchange, compliant with the Affordable Care Act (ACA), and 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 the New Mexico Exchange's self-assessment and expected progress across the entire spectrum of Exchange requirements, and is contingent upon the following conditions:

1. Comply with regulations and expected progress milestones. 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;
2. Participate in an Establishment Review by February 1, 2013 and develop a revised timeline and detailed work plan that aligns with the Exchange Blueprint, including dates and key milestones, to provide HHS with a clear understanding of the State's expected ability to complete Exchange activities;
3. Demonstrate legal authority to certify qualified health plans (QHPs); and
4. Confirm Information Technology and Project Management vendor selection and awards no later than February 1, 2013.

We recognize that the NMHIX is working under intense timelines and will work with you to establish benchmark dates that are appropriate and will allow us to jointly monitor New Mexico's progress. CMS will continue its work with all Exchanges, including providing more detailed information directly to your State Exchange, NMHIX.

Sincerely,

Kathleen Sebelius