



STATE OF DELAWARE

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November 14, 2012

The Honorable Kathleen Sebelius  
Secretary  
Department of Health and Human Services  
200 Independence Avenue, S.W.  
Washington, D.C. 20201

Dear Secretary Sebelius:

Please accept this letter as Delaware's declaration to implement the Federally Facilitated Health Insurance Exchange through the State Partnership Option. In this model, Delaware will retain responsibility for both Plan Management and Consumer Assistance, as outlined in the General Guidance on Federally Facilitated Exchanges, issued May 16, 2012.

As one of the first states to select the Partnership Exchange model, Delaware seeks to leverage a shared federal infrastructure, retain management of critical areas most directly impacting Delawareans, and ensure financial viability in light of the size of our population and market. Delaware will continue to work in close collaboration with the Center for Consumer Information and Insurance Oversight ("CCIIO") to define business, information, and technical interfaces and workflows needed to support the State's share of Plan Management and Consumer Assistance exchange functions.

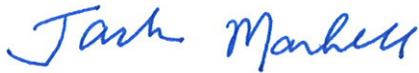
Delaware also chooses the following partnership options:

- The State designates the Secretary of Delaware's Department of Health and Social Services, Rita Landgraf, as the primary point of contact regarding the Exchange. The Secretary is authorized to formally bind the State regarding the Exchange, complete and sign the Exchange Application, and electronically attest to the facts in the Exchange Application.
- The State Medicaid Deputy Director, Stephen Groff, will be the primary contact on issues related to eligibility determination and coordination for both Medicaid and CHIP programs.
- The Reinsurance Program for the Delaware Exchange will be administered by the federal government.
- Delaware will determine final eligibility for Medicaid/CHIP for those individuals who apply directly through the Exchange. The State reserves the right to allow the Federally Facilitated Exchange to assume this responsibility at a later date, and with sufficient notification, if the State determines that it is in the best interest of Delawareans to do so.

We recognize that a key to success for any national program of such complexity and impact is the ability for project stakeholders to collaborate effectively. In Delaware we are committed to working together with the Department of Health and Human Services and CCIIO toward a solution that meets the needs of our residents and provides a seamless consumer experience. The State Partnership Exchange model provides an opportunity to address the needs of Delaware's health care consumers, small businesses, providers and others in a fiscally responsible manner as we work together to ensure access to quality affordable health care for all Delawareans.

Thank you for your continued commitment and support in this important endeavor.

Sincerely,



Jack A. Markell  
Governor