

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



December 23, 2025

VIA ELECTRONIC MAIL: James.McDonald@health.ny.gov

James V. McDonald
Commissioner
New York State Department of Health
Empire State Plaza
Corning Tower
Albany, NY 12237

Dear Commissioner McDonald:

On January 15, 2025, the Department of Health and Human Services and the Department of the Treasury approved New York's application for an extension of its State Innovation Waiver under section 1332 of the Patient Protection and Affordable Care Act (ACA). New York's approved extension application waives sections 1312(c)(1) and 1402 of the ACA, as well as section 36B of the Internal Revenue Code, to allow for the full implementation of the Essential Plan Expansion, including affordability programs such as subsidies for certain Exchange enrollees, for plan years 2025 through 2029.

It is the Department of the Treasury's final administrative determination that New York's final pass-through funding amount for calendar year 2025 is \$15,852,383,835. Due to the nature, structure, and financing of the waiver, New York was provided interim pass-through funding in the amount of \$7,000,000,000 on January 10, 2025 and \$5,000,000,000 on June 23, 2025. Therefore, New York will receive an additional \$3,852,383,835 in pass-through funding in December 2025. All pass-through funding must be used for purposes of implementing New York's State Innovation Waiver.

We look forward to continuing to work with you and your staff. If you have any questions regarding program matters or official correspondence concerning the waiver, please contact stateinnovationwaivers@cms.hhs.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "Peter Nelson", is located below the "Sincerely," text.

Peter Nelson
Director, Center for Consumer Information & Insurance Oversight
Centers for Medicare & Medicaid Services
Deputy Administrator, Centers for Medicare & Medicaid Services

CC: Kenneth Kies, Assistant Secretary, Tax Policy, U.S. Department of the Treasury
The Honorable Kathy Hochul, Governor, State of New York
Johanne Morne, Executive Deputy Commissioner, New York State Department of Health
Danielle Holahan, Executive Director, NY State of Health
Sonia Sekhar, Deputy Director, NY State of Health

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



June 23, 2025

VIA ELECTRONIC MAIL: James.McDonald@health.ny.gov

James V. McDonald
Commissioner
New York State Department of Health
Empire State Plaza
Corning Tower
Albany, NY 12237

Dear Commissioner McDonald:

On January 15, 2025, the Department of Health and Human Services and the Department of the Treasury approved New York's application for an extension of its State Innovation Waiver under section 1332 of the Patient Protection and Affordable Care Act (ACA). New York's approved extension application waives sections 1312(c)(1) and 1402 of the ACA, as well as section 36B of the Internal Revenue Code, to allow for the full implementation of the Essential Plan Expansion, including affordability programs such as subsidies for certain Exchange enrollees, for plan years 2025 through 2029.

Due to the nature, structure, and financing of the waiver, and as described in New York's specific terms and conditions, New York has been provided interim pass-through funding pending a determination of the final pass-through amount for the calendar year. Specifically, on January 10, 2025, New York received an interim pass-through funding amount for the 2025 calendar year of \$7,000,000,000. However, given that a pass-through amount is still being finalized for calendar year 2025, the Department of the Treasury has determined that it is appropriate to make a second interim pass-through payment to New York in the amount of \$5,000,000,000. A determination by the Department of the Treasury with respect to New York's final 2025 pass-through funding amount will be made as soon as practicable in 2025. All pass-through funding must be used for purposes of implementing New York's State Innovation Waiver.

We look forward to continuing to work with you and your staff. If you have any questions regarding program matters or official correspondence concerning the waiver, please contact Lina Rashid at Lina.Rashid@cms.hhs.gov or stateinnovationwaivers@cms.hhs.gov.

Sincerely,

A handwritten signature in dark ink, appearing to read "Peter Nelson". The signature is fluid and cursive, with the first name "Peter" and last name "Nelson" clearly distinguishable.

Peter Nelson

Deputy Administrator and Director, Center for Consumer Information & Insurance Oversight
Centers for Medicare & Medicaid Services

CC: Kevin Salinger, Acting Assistant Secretary, Tax Policy, U.S. Department of the Treasury
The Honorable Kathy Hochul, Governor, State of New York
Johanne Morne, Executive Deputy Commissioner, New York State Department of Health
Danielle Holahan, Executive Director, NY State of Health
Sonia Sekhar, Deputy Director, NY State of Health

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
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200 Independence Avenue SW
Washington, DC 20201



January 10, 2025

VIA ELECTRONIC MAIL: James.McDonald@health.ny.gov

James V. McDonald
Commissioner
New York State Department of Health
Empire State Plaza
Corning Tower
Albany, NY 12237

Dear Commissioner McDonald:

On September 25, 2024, the Department of Health & Human Services and the Department of the Treasury approved New York's application for an amendment to its State Innovation Waiver under section 1332 of the Patient Protection and Affordable Care Act (ACA). New York's approved amendment application waives sections 1312(c)(1) and 1402 of the ACA, as well as section 36B of the Internal Revenue Code, to allow for the full implementation of the Essential Plan Expansion for April 2024 through plan year 2028 and includes among its affordability programs subsidies for certain Exchange enrollees for plan years 2025 through 2028.

Due to the nature, structure, and financing of the waiver, and as described in New York's specific terms and conditions, pass-through funding will be made available to the state in two portions. The Department of the Treasury has determined that New York's interim pass-through funding amount for calendar year 2025 is \$7,000,000,000; a determination by the Department of the Treasury with respect to New York's final 2025 pass-through funding amount will be made by April 2025. All pass-through funding must be used for purposes of implementing New York's State Innovation Waiver.

We look forward to continuing to work with you and your staff. If you have any questions regarding program matters or official correspondence concerning the waiver, please contact Lina Rashid at Lina.Rashid@cms.hhs.gov or stateinnovationwaivers@cms.hhs.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "Ellen Montz", is located below the word "Sincerely,".

Ellen Montz, Ph.D.
Director, Center for Consumer Information & Insurance Oversight
Deputy Administrator, Centers for Medicare & Medicaid Services

CC: Aviva Aron-Dine, Deputy Assistant Secretary, Tax Policy, U.S. Department of the Treasury
The Honorable Kathy Hochul, Governor, State of New York
Johanne Morne, Executive Deputy Commissioner, New York State Department of Health
Danielle Holahan, Executive Director, NY State of Health
Sonia Sekhar, Deputy Director, NY State of Health