DEPARTMENT OF HEALTH & HUMAN SERVICES

Centers for Medicare & Medicaid Services

Region 10
2201 Sixth Avenue, MS/RX-43
Seattle, Washington 98121

MAY 25 2006

Karl Kurtz, Director
Idaho Department of Health and Welfare
PO Box 83720
Boise ID 83720-0036

Re: Approval of State Plan Amendment #06-002

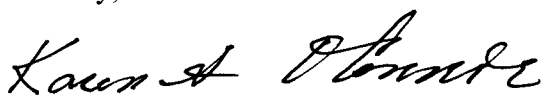
Dear Mr. Kurtz:

On April 26, 2006, the Idaho Department of Health and Welfare submitted a state plan amendment, transmittal #06-002, to establish a basic alternative benefit package for low-income children and working-age adults under section 6044 of the Deficit Reduction Act of 2005. The State has given assurances that this coverage will be provided in accordance with economy and efficiency principles, and also that the State will continue to comply with all other provisions of the Social Security Act in the administration of the State plan.

The Centers for Medicare and Medicaid Services has approved this amendment for the purposes of federal financial participation effective July 1, 2006. Approval of this state plan amendment is limited to the scope of the submitted benefit provision and does not constitute approval of any change in reimbursement methodologies, new reimbursement methodologies, or change in the sources of non-Federal share funding utilized by the State to make such Medicaid payments.

If you have additional questions or require further assistance, please contact Karen S. O'Connor, Associate Regional Administrator, Division of Medicaid and Children's Health, at 206-615-2330 or at Karen.Oconnor@cms.hhs.gov, or you may contact Gary Jackson, Health Insurance Specialist, at 410-786-1218, or at Gary.Jackson@cms.hhs.gov.

Sincerely,



Karen S. O'Connor
Associate Regional Administrator
Division of Medicaid and Children's Health

cc: David Rogers, Administrator
Idaho Department of Health and Welfare