

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



---

July 14, 2023

**VIA ELECTRONIC MAIL:** [marlene.caride@dobi.nj.gov](mailto:marlene.caride@dobi.nj.gov)

Marlene Caride  
Commissioner  
New Jersey Department of Banking and Insurance  
20 West State Street  
Trenton, NJ 08625

Dear Commissioner Caride:

Thank you for your submission on July 6, 2023, and amended submission on July 11, 2023, of New Jersey's waiver extension application for a State Innovation Waiver under section 1332 of the Affordable Care Act (ACA). I am pleased to send this letter from the Center for Consumer Information and Insurance Oversight (CCIIO) within the Centers for Medicare & Medicaid Services (CMS) under the Department of Health and Human Services (HHS), as well as on behalf of the Department of the Treasury (collectively, the Departments).

New Jersey's currently approved waiver of the ACA requirement for the single risk pool contained in ACA section 1312(c)(1),<sup>1</sup> allows the state to implement a state-based reinsurance program called the New Jersey Health Insurance Premium Security Plan for the individual health insurance market from January 1, 2019 through December 31, 2023.<sup>2</sup> New Jersey's waiver extension request seeks to continue the waiver of ACA section 1312(c)(1) and implementation of its state-based reinsurance program for an additional five years, for plan years 2024 through 2028. New Jersey is not otherwise seeking to make changes to its section 1332 waiver state-based reinsurance program. Should New Jersey seek to make changes to its waiver program during the extension period, the state would need to follow the procedures detailed in the specific terms and conditions in effect at that time.

Consistent with 31 C.F.R. § 33.132 and 45 C.F.R. § 155.1332, the processes and procedures for extension requests finalized in rulemaking,<sup>3</sup> and the next steps outlined in the Departments' March 2, 2023 letter to New Jersey's waiver extension letter of intent,<sup>4</sup> the Departments have conducted a

---

<sup>1</sup> New Jersey's currently approved waiver waives the individual market single risk pool requirement to the extent it would otherwise require excluding total expected state reinsurance payments when establishing the market-wide index rate.

<sup>2</sup> <https://www.cms.gov/CCIIO/Programs-and-Initiatives/State-Innovation-Waivers/Downloads/1332-STC-NJ-Signed.pdf>

<sup>3</sup> See Patient Protection and Affordable Care Act; Updating Payment Parameters and Improving Health Insurance Markets for 2022 and Beyond; Final Rule, 86 FR 53412 at 53483 – 53486 (Sept. 27, 2021).

<sup>4</sup> <https://www.cms.gov/ccio/programs-and-initiatives/state-innovation-waivers/downloads/1332-nj-loi-ext-amend-response-letter.pdf>. While New Jersey initially submitted a letter of intent expressing interest in both a waiver extension and amendment, New Jersey is no longer seeking a waiver amendment.

preliminary review of the waiver extension application, and have made a preliminary determination that New Jersey's waiver extension application is complete.

As provided in the March 2, 2023 letter, and similar to the Federal public notice and approval process for new section 1332 waiver applications outlined in 45 CFR 155.1308(d) and 31 CFR 33.108(d), the date of this letter marks the beginning of the 30-day Federal public notice and comment process and 90-day Federal decision-making period. Public comments on New Jersey's waiver extension application will be accepted by the Departments from July 14, 2023 through August 13, 2023, and more information about the Federal public notice process and section 1332 waivers generally can be found on the CMS website.<sup>5</sup> The decision of the Departments regarding approval or denial of New Jersey's waiver extension application will be issued within 90 days of this preliminary determination of completeness in accordance with section 1332(e) of the ACA.

We look forward to working with you on your waiver extension application and will be in touch if we need additional information. Please do not hesitate to contact us if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Ellen Montz". The signature is fluid and cursive, with the first name "Ellen" and the last name "Montz" clearly distinguishable.

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

CC: Lily Batchelder, Assistant Secretary for Tax Policy, U.S. Department of the Treasury  
The Honorable Philip Murphy, Governor, State of New Jersey  
Justin Zimmerman, Chief of Staff, New Jersey Department of Banking and Insurance  
Philip Gennace, Counsel to the Office of the Commissioner, New Jersey Department of Banking and Insurance

---

<sup>5</sup> [https://www.cms.gov/CCIIO/Programs-and-Initiatives/State-Innovation-Waivers/Section\\_1332\\_state\\_Innovation\\_Waivers-](https://www.cms.gov/CCIIO/Programs-and-Initiatives/State-Innovation-Waivers/Section_1332_state_Innovation_Waivers-)