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## CMCS Informational Bulletin

**DATE:** December 18, 2013

**FROM:** Cindy Mann  
Director

**SUBJECT: Proposed Payment Notice: Basic Health Program**

Today the Centers for Medicare & Medicaid Services (CMS) put on display at the *Federal Register* a payment notice providing the proposed funding methodology and data sources necessary to determine federal payments for states electing to implement a Basic Health Program (BHP) in 2015. On September 25, 2013, CMS published the BHP proposed rule (CMS-2380-P) which provided the framework of the funding methodology; building on that rule, the payment notice provides specific details on the methodology or the data sources CMS proposes to use to determine the federal BHP payments.

The BHP is an optional program, created by the Affordable Care Act that states can implement to provide health coverage to individuals with incomes up to 200 percent of the federal poverty level (FPL). In states that implement BHP, enrollees will receive health care coverage through the state's BHP instead of receiving advance premium tax credits (APTCs) and cost-sharing reductions (CSR) to purchase coverage in the Marketplace. States will, as currently proposed, receive 95 percent of the APTC and 95 percent of the CSR that the individual would have received had he or she enrolled in coverage offered through the Marketplace.

The proposed payment notice is available for review and public comment for a period of 30 days at <https://www.federalregister.gov/public-inspection>.

Please contact Christopher Truffer at [Christopher.Truffer@cms.hhs.gov](mailto:Christopher.Truffer@cms.hhs.gov), or Jessica Schubel at [Jessica.Schubel@cms.hhs.gov](mailto:Jessica.Schubel@cms.hhs.gov), with any questions on this 2015 BHP proposed payment notice.