



**COVERED
CALIFORNIA**

January 18, 2017

Mr. Kevin J. Counihan
Director and Marketplace Executive Officer
Department of Health & Human Services
Centers for Medicare & Medicaid Services
Center for Consumer Information and Insurance Oversight
200 Independence Avenue, SW
Washington, DC 20201

RE: California's State Innovation Waiver Application

Dear Mr. Counihan:

Thank you for your letter dated January 17, 2017, advising Covered California that the Department of Health & Human Services and the Department of Treasury have completed their preliminary review of California's December 19, 2016 application for a State Innovation Waiver under Section 1332 of the Affordable Care Act. This letter marks the beginning of the Federal public notice process and the 180-day Federal decision-making period.

At the request of Senator Ricardo Lara, author of California Senate Bill 10 (Lara, Chapter 22, Statutes of 2016) which authorized Covered California to submit California's application, and with the concurrence of the Governor of California, Edmund G. Brown Jr., California hereby withdraws its December 19, 2016 application and is no longer seeking a State Innovation Waiver at this time. In withdrawing this application, California reserves its right to resubmit this application and its right to submit future State Innovation Waivers under Section 1332 of the Affordable Care Act.

We appreciate the time and attention that has been put into the review of this application and look forward to working with you on future submittals.

Sincerely,

Peter V. Lee
Executive Director

cc: Secretary of the California Health and Human Services Agency, Diana S. Dooley
California State Senator, Ricardo Lara
Assistant Secretary for Tax Policy, U.S. Department of the Treasury, Mark J. Mazur
CCIO/HHS Deputy Director for Policy, Jeff Wu