

(c) Section 1903(w) (relating to limitations on provider donations and taxes).

(d) Section 1132 (relating to periods within which claims must be filed).

**§ 457.140 Budget.**

The State plan, or plan amendment that has a significant impact on the approved budget, must include a budget that describes the State's planned expenditures for a 1-year period. The budget must describe—

- (a) Planned use of funds, including—
  - (1) Projected amount to be spent on health services;
  - (2) Projected amount to be spent on administrative costs, such as outreach, child health initiatives, and evaluation; and
  - (3) Assumptions on which the budget is based, including cost per child and expected enrollment; and
- (b) Projected sources of non-Federal plan expenditures, including any requirements for cost sharing by enrollees.

**§ 457.150 CMS review of State plan material.**

(a) *Basis for action.* CMS reviews each State plan and plan amendment to determine whether it meets or continues to meet the requirements for approval under relevant Federal statutes, regulations, and guidelines furnished by CMS to assist in the interpretation of these regulations.

(b) *Action on complete plan.* CMS approves or disapproves the State plan or plan amendment only in its entirety.

(c) *Authority.* The CMS Administrator exercises delegated authority to review and then to approve or disapprove the State plan or plan amendment, or to determine that previously approved material no longer meets the requirements for approval. The Administrator does not make a final determination of disapproval without first consulting the Secretary.

(d) *Initial submission.* The Administrator designates an official to receive the initial submission of State plans.

(e) *Review process.* (1) The Administrator designates an individual to coordinate CMS's review for each State that submits a State plan.

(2) CMS notifies the State of the identity of the designated individual in the first correspondence relating to that plan, and at any time there is a change in the designated individual.

(3) In the temporary absence of the designated individual during regular business hours, an alternate individual will act in place of the designated individual.

**§ 457.160 Notice and timing of CMS action on State plan material.**

(a) *Notice of final determination.* The Administrator provides written notification to the State of the approval or disapproval of a State plan or plan amendment.

(b) *Timing.* (1) A State plan or plan amendment will be considered approved unless CMS, within 90 calendar days after receipt of the State plan or plan amendment in the CMS central office, sends the State—

- (i) Written notice of disapproval; or
- (ii) Written notice of additional information it needs in order to make a final determination.

(2) A State plan or plan amendment is considered received when the designated official or individual, as determined in § 457.150(d) and (e), receives an electronic, fax or paper copy of the complete material.

(3) If CMS requests additional information, the 90-day review period for CMS action on the State plan or plan amendment—

- (i) Stops on the day CMS sends a written request for additional information or the next business day if the request is sent on a Federal holiday or weekend; and

(ii) Resumes on the next calendar day after the CMS designated individual receives an electronic, fax, or hard copy from the State of all the requested additional information, unless the information is received after 5 p.m. eastern standard time on a day prior to a non-business day or any time on a non-business day, in which case the review period resumes on the following business day.

(4) The 90-day review period cannot stop or end on a non-business day. If the 90th calendar day falls on a non-business day, CMS will consider the 90th day to be the next business day.