



STATE OF DELAWARE
STATE COUNCIL FOR PERSONS WITH DISABILITIES
MARGARET M. O'NEILL BUILDING
410 FEDERAL STREET, SUITE 1
DOVER, DE 19901

VOICE: (302) 739-3620
TTY/TDD: (302) 739-3699
FAX: (302) 739-6704

MEMORANDUM

DATE: September 29, 2014

TO: Ms. Sharon L. Summers, DMMA
Planning & Policy Development Unit

FROM: Daniese McMullin-Powell, Chairperson
State Council for Persons with Disabilities

RE: 18 DE Reg. 183[DMMA Proposed Delaware Healthy Children Program Premium
Reg.]

The State Council for Persons with Disabilities (SCPD) has reviewed the Department of Health and Social Services/Division of Medicaid and Medical Assistance's (DMMA's) proposal to amend its Delaware Healthy Children Program regarding cost sharing and payment. The proposed regulation was published as 18 DE Reg. 183 in the September 1, 2014 issue of the Register of Regulations.

Historically, Delaware has charged a monthly premium as a condition of eligibility. CMS guidance based on the Affordable Care Act has prompted the Division of Medicaid & Medical Insurance to modify its schedule of premiums effective January 1, 2014 as follows:

- A. family income between 101%- 133% of the Federal Poverty Level - children transitioned to Medicaid with no premium;
- B. family income between 134% - 166% of Federal Poverty Level - \$15/month per family; and
- C. family income between 167%-212% of Federal Poverty Level - \$25/month per family.

These premium levels had already been implemented effective January 1, 2014. See Summary of Proposal at p. 184 and attached DMMA Administrative Notice 01-2014, last page. However, the Delaware Healthy Children State Plan had not been amended to conform to practice. The proposed regulation amends the Delaware Healthy Children Program plan to reflect the current

premium structure.

DMMA is also amending the plan to incorporate a pre-payment premium discount which has been implemented since the inception of the Program but not specifically included in the plan. The discount is described as follows:

Pay three (3) months get one (1) premium free month; pay six (6) months get two (2) premium free months; pay nine (9) months get three (3) premium free months.

SCPD endorses the proposed changes since they are being prompted by CMS guidance and the changes benefit low-income families with children.

Thank you for your consideration and please contact SCPD if you have any questions or comments regarding our position or comments on the proposed regulation.

cc: Mr. Stephen Groff
Mr. Brian Hartman, Esq.
Governor's Advisory Council for Exceptional Citizens
Developmental Disabilities Council

18reg 183 dmma-health children 9-29-14

Statutory Authority

- Patient Protection and Affordable Care Act (Pub. L. No. 111-148 as amended by the Health Care and Education Reconciliation Act of 2010 (Pub. L. No. 111-152)), together known as the Affordable Care Act
- Title XXI of the Social Security Act, *State Children's Health Insurance Program*
- 42 CFR Part 457, *State Children's Health Insurance Programs (SCHIPs)*
- 16 Delaware Code, Section 9909

Background

The Balanced Budget Act of 1997, enacted on August 5, 1997, established the "State Children's Health Insurance Program (SCHIP)" by adding Title XXI to the Social Security Act. The purpose of this program is to provide funds to States to enable them to initiate and expand the provision of child health assistance to uninsured, low-income children in an effective and efficient manner that is coordinated with other sources of health benefits coverage for children. Delaware's SCHIP program called the Delaware Healthy Children Program (DHCP) is authorized under Title 19, Chapter 99, and Section 9905 of the Delaware Code.

Modified Adjusted Gross Income (MAGI) Conversion Plan

Under the Affordable Care Act, to complete the transition to the MAGI-based methodology, states developed MAGI-based income eligibility standards for the applicable eligibility groups that "are not less than the effective income levels" that were used to determine Medicaid and CHIP income eligibility as of the enactment of the Affordable Care Act. The conversion of current income eligibility standards to equivalent MAGI-based income eligibility standards account for any income disregards now used. Finally, under section 1902(e)(14)(E) of the Act, each state must submit to the Secretary for approval its proposed MAGI-equivalent income eligibility standards and the methodologies and procedures that support those proposed standards, for each applicable eligibility group. This submission is referred to as the state's "MAGI Conversion Plan". Delaware's conversion plan was approved on September 17, 2013.

The conversion to MAGI-based income eligibility standards impacts the percentages of the Federal Poverty Level (FPL) used to set the premium levels under CHIP.

Summary of Proposal

The Centers for Medicare and Medicaid Services (CMS) recently advised Delaware that the State needs to amend the Delaware Healthy Children Program (DHCP) state plan to update the premium levels to account for the MAGI-based conversion standards.

Therefore, Delaware Health and Social Services (DHSS)/Division of Medicaid and Medical Assistance (DMMA) will be submitting a state plan amendment to change the percentages of the Federal Poverty Level (FPL) applied to the premium levels and to describe the incentives for pre-payment of premiums, as follows:

1. Effective January 1, 2014, the ten dollar (\$10.00) per family per month premium for families with incomes between 101% and 133% of the Federal Poverty Level (FPL) is obsolete. Children in these families transitioned to Medicaid effective January 1, 2014.
2. Effective January 1, 2014, the conversion to MAGI-based standards results in a premium of fifteen dollars (\$15.00) per family per month for families with incomes between 134% and 166% of the FPL and a premium of twenty-five dollars (\$25.00) per family per month for families with incomes between 167% and 212% of the FPL. These revised premium levels have been in practice since January 1, 2014, but had not been set forth in the CHIP state plan.

Section 8 of the DHCP State Plan and Section 18700 of the Division of Social Services Manual (DSSM) will be amended to reflect the above-referenced change to the premium levels.

In addition, based on agency review, DHSS/DMMA intends to amend the DHCP state plan at section 8.2.1 to update the language regarding incentives for pre-payment of premiums. The updated language reflects incentives for pre-payment of premiums that have been in practice since the inception of Delaware's CHIP program. These incentives are described at Section 18700 of the Division of Social Services Manual (DSSM).



STATE OF DELAWARE
DELAWARE HEALTH AND SOCIAL SERVICES
DIVISION OF MEDICAID & MEDICAL ASSISTANCE
PLANNING AND POLICY DEVELOPMENT UNIT

MEMORANDUM

REPLY TO
ATTN. OF: Administrative Notice DMMA 01-2014

TO: All DMMA and DSS Staff

DATE:

SUBJECT: 2014 Federal Poverty Level and Medical Assistance Income Limits

BACKGROUND

The 2014 Federal Poverty Level guidelines were announced in the Federal Register on January 22, 2014. The Federal Poverty Level guidelines are used to compute income eligibility standards for:

- Parents/Caretaker Relatives
- Pregnant Women
- Infants
- Children
- Adults
- Delaware Healthy Children Program
- Qualified Medicare Beneficiary (QMB)
- Specified Low Income Medicare Beneficiary (SLMB)
- Qualifying Individual 1 (QI-1)
- Qualified Disabled Working Individual (QDWI)
- Delaware Prescription Assistance Program (DPAP)

DISCUSSION

The monthly countable income limits are effective January 1 for parents/caretaker relatives, pregnant women, infants, children, adults, Delaware Healthy Children Program, and QDWIs. The income limits are effective February 1 for the Delaware Prescription Assistance Program. The income limits are effective April 1 for QMBs, SLMBs, and QI-1s, who have title II income.

- Parents/Caretaker Relatives must have family income at or below 87% of poverty.
- Pregnant women and infants under age 1 must have family income at or below 212% of poverty. Pregnant women count as 2 (or more) family members.

- Children age 1 through age 5 (under age 6) must have family income at or below 142% of poverty.
- Children age 6 through age 18 (under age 19) must have family income at or below 133% of poverty.
- Adults must have family income at or below 133% of poverty.
- Children in the Delaware Healthy Children Program must have income at or below 212% of poverty.
- A QMB must have income at or below 100% of poverty.
- A SLMB must have income at or below 120% of poverty.
- A QI-1 must have income that is over 120% of poverty but does not exceed 135% of poverty.
- A QDWI must have income at or below 200% of poverty.
- For DPAP, an individual must have income at or below 200% of poverty
- For a family size greater than 10, add \$4,060 to the annual income for each family member.

The attached charts show the income limits for the various medical assistance programs and the premium amounts for the Delaware Healthy Children Program.

ACTION REQUIRED

The new income limits will be updated in DCIS with the appropriate effective dates.

DCIS will identify any cases that were denied or closed due to income between 12/20/13 and the date the new income limits are put into production. Staff will receive a report of these cases and will need to run eligibility for these cases.

DIRECT INQUIRIES TO

Jill Williams
(302) 255-9609

January 28, 2014
Date

Dave Michalik

Dave Michalik
Chief Planning and Policy Development Unit
Division of Medicaid &
Medical Assistance

DM:jw

2014 Countable Income Limits for Federal Poverty Level Related Medical Assistance Programs

Family Size	Annual Income 100% FPL	Monthly Income 87% FPL Parents/Caretaker Relatives	Monthly Income 133% FPL Age 6 through 18 Adults	Monthly Income 142% FPL Age 1 through 5	Monthly Income 200% FPL DPAP	Monthly Income 212% FPL Pregnant Women Infants
1	11,670	847	1,294	1,381	1,945	2,062
2	15,730	1,141	1,744	1,862	2,622	2,779
3	19,790	1,435	2,194	2,342	3,299	3,497
4	23,850	1,730	2,644	2,823	3,975	4,214
5	27,910	2,024	3,094	3,303	4,652	4,931
6	31,970	2,318	3,544	3,784	5,329	5,649
7	36,030	2,613	3,994	4,264	6,005	6,366
8	40,090	2,907	4,444	4,744	6,682	7,083
9	44,150	3,201	4,894	5,225	7,359	7,800
10	48,210	3,496	5,344	5,705	8,035	8,518

Family Size	Monthly Income 100% FPL QMB	Monthly Income 120% FPL SLMB	Monthly Income 135% FPL QI-1	Monthly Income 200% FPL QDWI
1	973	1,167	1,313	1,945
2	1,311	1,573	1,770	2,622

Delaware Healthy Children Program
 2014 Countable Income Limits
 212% FPL

Family Size	Monthly Income
1	2,062
2	2,779
3	3,497
4	4,214
5	4,931
6	5,649
7	6,366
8	7,083
9	7,800
10	8,518

Delaware Healthy Children Program
 Monthly Premium Based on Countable Family Income
 % of FPL

Family Size	Monthly Income	
	134% – 176% Premium \$15	177% – 212% Premium \$25
1	1,295 — 1,712	1,713 — 2,062
2	1,745 — 2,308	2,309 — 2,779
3	2,195 — 2,903	2,904 — 3,497
4	2,645 — 3,498	3,499 — 4,214
5	3,095 — 4,094	4,095 — 4,931
6	3,545 — 4,689	4,690 — 5,649
7	3,995 — 5,285	5,286 — 6,366
8	4,445 — 5,880	5,881 — 7,083
9	4,895 — 6,476	6,477 — 7,800
10	5,345 — 7,071	7,072 — 8,518