

# MEDICAID AND CHILDREN'S HEALTH INSURANCE PROGRAM

## 2019 NIHB National Tribal Health Conference



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# Session Objectives

- This session should help you
  - Describe Medicaid eligibility, benefits, and administration, including eligibility for those enrolled in both Medicare and Medicaid
  - Define CHIP eligibility, benefits, and administration
  - Identify AI/AN Provisions/Protections in Medicaid and CHIP

# Lesson 1—Medicaid Overview

- What is Medicaid?
- Administration
- Eligibility
- Expansion
- Enrollment
- Modified Adjusted Gross Income (MAGI)
- Coverage—Mandatory Medicaid State Plan Benefits
- Waivers
- How Are Medicare and Medicaid Different?
- Medicare-Medicaid Enrollees—  
“Dual Eligibles”
- Medicare Savings Programs (MSPs)

# What is Medicaid?

- Federal and state program
- Medical assistance for people with limited income and resources
- Covers about 74 million adults and children
  - Medicaid—67 million individuals enrolled
  - CHIP—6 million individuals enrolled
- Supplements Medicare for more than 10 million people who are aged and/or disabled

# Medicaid Administration

- Jointly financed federal and state program
- Federally established national guidelines
- States get federal matching funds
  - Known as the Federal Medical Assistance Percentage (FMAP)
    - Used to calculate amount of federal share of state costs
    - Varies from state-to-state based on state per capita income
    - The FMAP is 100% for services provided to AI/AN when received through Indian Health Service (IHS) or Tribal facility.

# State Medicaid Administration

- Within broad federal guidelines, each state
  - Develops its own programs
  - Develops and operates its own plan
  - Establishes its own eligibility standards
  - Determines the type, amount, duration, and scope of services
  - Sets the payment rate for services
  - Partners with the Centers for Medicare & Medicaid Services (CMS) to administer its program
  - Administers its own program once approved by the federal government

# State Medicaid Administration, continued

- Within broad guidelines, each state
  - May change eligibility, services, and reimbursement during the year
    - Prior to submission of any change (through a SPA or Waiver) to the program likely to have a direct impact on AI/AN or Indian Health Programs, the state must:
      - Solicit advice from the Indian Health Care Providers (ITUs) in the State
      - Consult with federally recognized tribal governments for new or renewal waiver submissions.

# The Single State Medicaid Agency

- Administers the Medicaid State Plan
  - May delegate some administrative functions
    - Tribes that administer TANF programs may determine eligibility if the State pursues a State Plan Amendment to allow this.
- Local office names may vary
  - Social Services
  - Public Assistance
  - Human Services

# Medicaid Eligibility

- States are required to cover certain population groups, like
  - Low income families
  - Qualified pregnant women and children
  - Individuals receiving Supplemental Security Income (SSI)
- States have flexibility to cover other population groups, like
  - Individuals receiving home and community based services
  - Children in foster care who aren't otherwise eligible
- Financial and non-financial requirements must be met to qualify for Medicaid

# Medicaid Eligibility (continued)

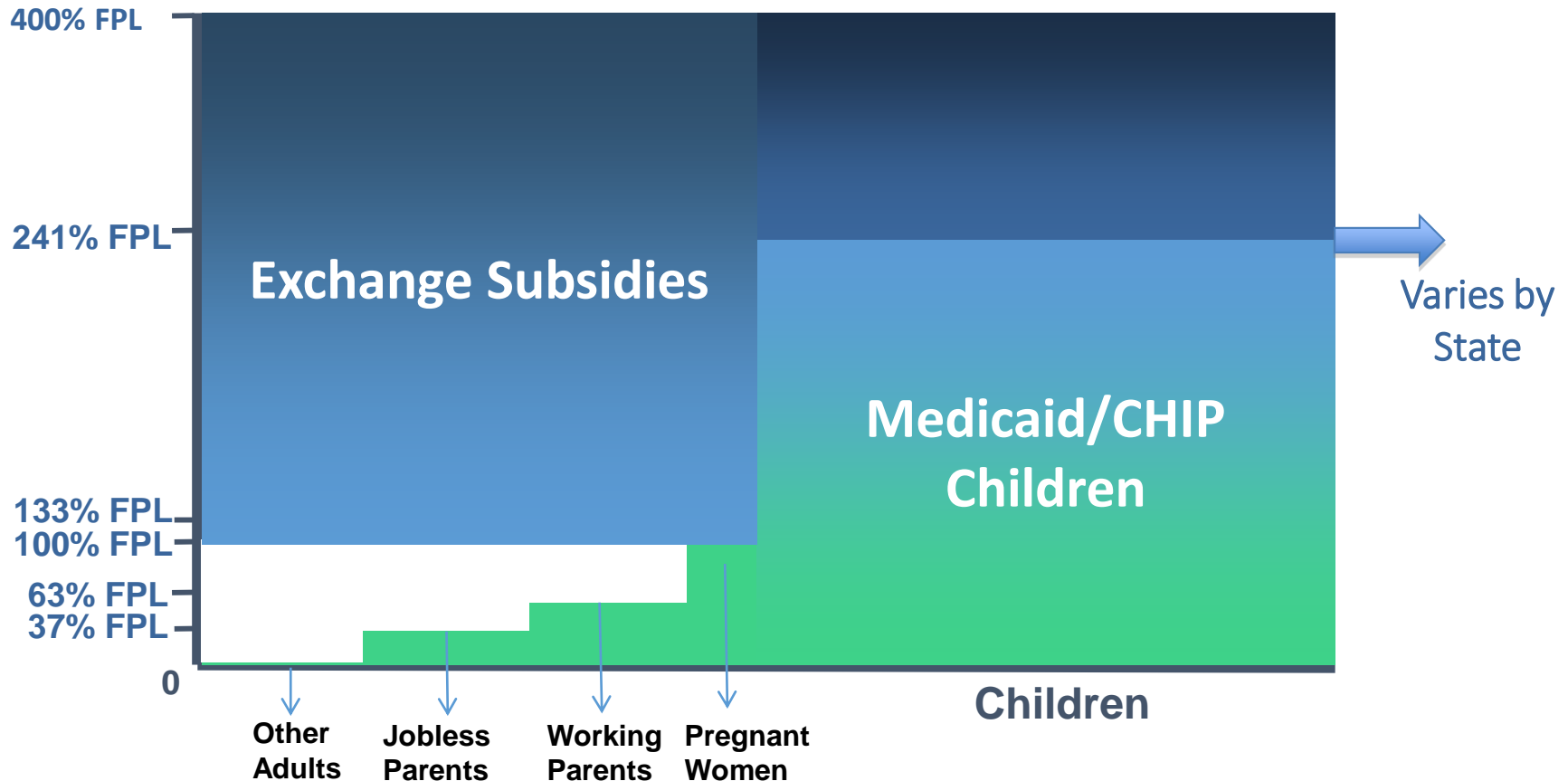
- In all states:
  - You can qualify for Medicaid based on income, household size, disability, family status, and other factors.
  - Eligibility rules differ between states.
- In states that have expanded Medicaid coverage to the adult group:
  - You can qualify based on your income and non-financial eligibility factors.
  - If your household income is below 133% of the federal

**NOTE:** Because of the way this is calculated, it turns out to be 138% of the FPL. A few states use a different income limit.



# Gaps in Coverage in States that Do Not Expand Medicaid

Affordable Insurance Coverage without Expansion  
(For non-elderly, non-disabled individuals, based on current median state eligibility)



# Streamlined Application

- One application for Marketplace health plans, Medicaid, and CHIP
  - Premium tax credits and cost sharing reductions
  - Online, by phone, by mail, or in person
- May be able to enroll immediately once eligibility determination is complete
  - Depending on the program for which the applicant is eligible
- You can apply for Medicaid and CHIP at any time
  - At [HealthCare.gov](https://www.healthcare.gov), or
  - Through your state agency

# State Options for Coordinated Eligibility Determinations With the Marketplace

- **Determination Model**
  - Marketplace makes Medicaid/CHIP MAGI eligibility determinations using state Medicaid/CHIP eligibility rules and standards
- **Assessment Model**
  - Marketplace makes initial assessment of Medicaid/CHIP eligibility; state Medicaid and CHIP agencies make the final eligibility determination

# Application and Enrollment Process

- Application process
  - Relies primarily on electronic data
  - Reduces need for paper documentation
  - 12-month eligibility period for most
    - Adults
    - Parents
    - Children

# Modified Adjusted Gross Income (MAGI) Methodology

- MAGI is a methodology for how income is counted and how household composition and family size are determined
- MAGI-based rules are used to determine Medicaid and CHIP eligibility for most individuals

# Modified Adjusted Gross Income (MAGI) Methodology (continued)

- Tied to taxable income
- Income disregards replaced by a single 5% disregard
- Household composition based on tax filer and tax-dependent relationships
- Child support and other assistance not counted because they're not taxable income
- Family size adjusted for pregnancy determining eligibility of a pregnant woman

# Modified Adjusted Gross Income (MAGI) Methodology (continued)

- Monies received from certain Tribal sources are exempt from income counting in Medicaid (MAGI and non-MAGI groups) and from resource counting in non-MAGI groups
  - ❑ Distributions from trust/reservation property
  - ❑ Income from property and rights related to hunting, fishing and natural resources
  - ❑ Income from the sale and use of cultural property or subsistence property
  - ❑ Student financial assistance provided by BIA/Tribe
  - ❑ Income that falls under the IRS “General Welfare” Doctrine

# Modified Adjusted Gross Income (MAGI) Methodology (continued)

- Monies received from certain Tribal sources are exempt from income counting in Medicaid (MAGI and non-MAGI groups) and from resource counting in non-MAGI groups
  - ❑ Individual Indian Money (IIM) accounts, restricted and unrestricted
  - ❑ Monies paid out from exempt resources
  - ❑ Distributions from Alaska Native Claims Settlement Act (ANCSA) Corporations and Settlement Trusts
  - ❑ Any other income that is non-taxable according to federal law or IRS guidance

# Whose Eligibility Is Based on Modified Adjusted Gross Income (MAGI)?

## Groups Using MAGI

Adults 19-64

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Parents and caretakers

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Children

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Pregnant Women

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## MAGI-Excepted

Anyone who doesn't need an income determination (e.g., SSI, federal foster care, or adoption assistance recipients)

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People eligible because of age, blindness, or disability

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People who need long-term care

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People who are eligible for Medicare cost-sharing

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# Verification

- Primary reliance on electronic data sources
- Supported by Federal Data Services Hub
  - Social Security
  - Internal Revenue Service (IRS)
  - U.S. Department of Homeland Security
- Decreased reliance on documentation
- Increased reliance on self-attestation

# Coverage—Mandatory Medicaid State Plan Benefits

- Inpatient hospital services
- Outpatient hospital services
- Early and Periodic Screening, Diagnostic, and Treatment services (assurance for children under 21)
- Nursing facility services (except for Medically Needy)
- Home health services (for individuals entitled to nursing facility care)
- Physician services
- Rural Health Clinic services
- Federally Qualified Health Center services
- Laboratory and X-ray services
- Family planning services
- Nurse Midwife services
- Certified Pediatric and Family Nurse Practitioner services
- Freestanding Birth Center services (when licensed or otherwise recognized by the state)
- Transportation to medical care
- Tobacco cessation counseling for pregnant women

# Medicaid Waivers

- Allow states to test alternative delivery of care
  - Certain federal laws “waived”
- Types of waivers
  - Section 1915(b) Managed Care Waiver
  - Section 1915(c) Home and Community-Based Services (HCBS) Waiver
  - Section 1115 Research and Demonstration Waiver
  - Concurrent Section 1915(b) and 1915(c) Waivers

# Additional AI/AN Protections in Medicaid

- Cost Sharing Protections for AI/AN
  - AI/AN who are eligible to utilize Indian Health Providers are exempt from premiums and enrollment fees for Medicaid
    - Premiums are monthly charges
    - Enrollment fees are annual charges
  - AI/AN who have ever used an Indian Health Provider or received a Purchased/Referred Care referral are exempt from copayments, deductibles and coinsurance.

# Additional AI/AN Protections in Medicaid

- Managed Care Protections for AI/AN
  - An AI/AN enrolled in managed care can
    - Choose to get care from an Indian Health Provider even if the Indian Health Provider is not in the managed care network
    - Choose an Indian Health Provider as his/her primary care provider if the provider is in the managed care network
    - If there are insufficient Indian Health providers in the network, the AI/AN can access out of state Indian Health Providers or disenroll from managed care

# Additional AI/AN Protections in Medicaid

- Managed Care Protections for AI/AN
  - A managed care plan and/or the State must make sure the Indian Health Provider is paid up to the normal State plan rate for the facility
    - OMB Rate
    - FQHC Rate
    - FFS Rate
  - An Indian Health Provider that is NOT the PCP can refer an AI/AN to a network provider without the patient having to go to his/her PCP

# Additional AI/AN Protections in Medicaid

- Estate Recovery Protections for AI/AN
  - State Medicaid programs must recover certain Medicaid benefits paid on behalf of Medicaid enrollees age 55 or older by seeking recovery from the individual's estate
  - The follow properties of AI/AN beneficiaries are exempt from Estate Recovery
    - Property located on a reservation or within the boundaries of the most recent previous reservation.
      - Real property and improvements

# Additional AI/AN Protections in Medicaid

- Estate Recovery Protections in Medicaid continued
  - Ownership interest in
    - Rents
    - Leases
    - Royalties
    - Usage rights
  - For use of
    - Natural resources
    - Fish/shellfish
    - Harvesting animals, plants or timber

# Additional AI/AN Protections in Medicaid

- Estate Recovery Protections in Medicaid continued
  - Items with religious, spiritual, traditional or cultural significance or used to support subsistence or a traditional lifestyle according to tribal law or custom
  - Ownership interests left as a remainder in an estate in rents, leases, royalties or usage rights in listed properties, as long as they can be clearly identified as such

# How Are Medicare and Medicaid Different?

Medicare	Medicaid
National program that is the same across the country	Statewide programs that are different between states
Administered by the federal government	Administered by state governments within federal rules (federal/state partnership)
Health insurance for people 65 or over, with certain disabilities, or diagnosed with End-Stage Renal Disease (ESRD)	Health coverage for people who meet financial and non-financial requirements
Nation's primary payer of inpatient hospital services for the elderly and people with ESRD	Nation's primary public payer of mental health and long-term care services; covers 40% of all births/prenatal and postpartum

# Medicare-Medicaid Enrollees— “Dual Eligibles”

- 8.3 million nationally
  - Medicaid may provide full benefits and/or partial assistance with Medicare costs
  - Medicare Savings Programs (MSPs) are partial Medicaid benefits that help pay Medicare premiums and sometimes cost-sharing
    - You can qualify for full Medicaid only, full Medicaid with an MSP, or just a MSP
  - For those with full Medicaid, Medicare pays first and Medicaid pays second for covered services

# Medicare Savings Programs (MSPs)

- MSPs are categorized into groups:
  - Qualified Medicare Beneficiary\* (QMB)
  - Specified Low-Income Medicare Beneficiary\* (SLMB)
  - Qualified Individuals\* (QI)
  - Qualified Disabled and Working Individuals (QDWI)

**\*Automatically qualify for Extra Help for Part**

**NOTE:** Federal law bars Medicare and Medicare Advantage (MA) providers from balance billing a QMB beneficiary under any circumstances.

# Minimum Federal Eligibility Requirements for Medicare Savings Programs (MSPs)

Medicare Savings Program	Individual Monthly Income Limit (2018)	Married Couple Monthly Income Limit (2018)	Helps Pay Your
<b>Qualified Medicare Beneficiary (QMB)</b>	\$1,032	\$1,392	Part A and Part B premiums, and other cost-sharing (like deductibles, coinsurance, and copayments)
<b>Specified Low-Income Medicare Beneficiary (SLMB)</b>	\$1,234	\$1,666	Part B premiums only
<b>Qualifying Individual (QI)</b>	\$1,386	\$1,872	Part B premiums only
<b>Qualifying Disabled &amp; Working Individuals (QDWI)</b>	\$4,132	\$5,572	Part A premiums only

# Lesson 2—Children's Health Insurance Program (CHIP) Overview

- What is CHIP?
- State Options for CHIP
- CHIP Eligibility
- Documents and Requirements
- Authorization and Funding

# What's the Children's Health Insurance Program (CHIP)?

- Health coverage for uninsured children in families who earn too much for Medicaid, but too little for private insurance
- Jointly funded by federal and state governments
- Administered by states
- Over 8.9 million children enrolled

# State Options for the Children's Health Insurance Program (CHIP)

- All 50 states, the District of Columbia, and U.S. territories have CHIP programs
- States can design their CHIP program in 1 of 3 ways
  1. Medicaid expansion (8 states, the District of Columbia, and 5 territories)
  2. Separate CHIP (2 states)
  3. Combination of the 2 approaches (40 states)

# Children's Health Insurance Program (CHIP) Eligibility

- Targeted low-income children
  - Under 19
  - Uninsured and not eligible for Medicaid
  - Generally, up to 200% of the FPL or 50 percentage points higher than Medicaid level as of June 1, 1997 (many states go higher)
  - No access to public employee coverage (except at state option) and not an inmate of a public institution
  - State-defined standards

# Children's Health Insurance Program (CHIP) Eligibility (continued)

- Average coverage level for states is 255% of the FPL
  - North Dakota—below 200% of the FPL
  - Indiana—above 200% of the FPL
  - New Jersey and New York—350% and 400% of the FPL
- MAGI Income methodology is used for CHIP
- There are no resource limits for CHIP

# Authorization and Funding

- Healthy Kids Act and Access Act
  - Extends CHIP funding through September 30, 2027
  - Provides \$168 million for outreach and enrollment efforts
  - 10% or \$16.8 million is for outreach and enrollment efforts for AI/AN families/children
  - In July 2019, CMCS released a funding announcement of \$6 million for outreach and enrollment grants to IHS, tribal and urban Indian programs – awards to be made in Dec 2019

# AI/AN Protections in CHIP

- AI/AN children in CHIP are exempt from premiums and cost sharing
- The income protections for AI/AN enrolled in Medicaid also apply to CHIP
- Managed Care protections in Medicaid also apply to CHIP
- States must solicit advice from Indian Health Providers for State Plan and waiver changes likely to have a direct impact on AI/AN
- States must consult with Tribal governments for new and renewal waiver submissions.

# Medicaid and Children's Health Insurance Program (CHIP) Resource Guide

Centers for Medicare & Medicaid Services	<ul style="list-style-type: none"><li>▪ <a href="https://www.cms.gov">CMS.gov</a></li><li>▪ <a href="https://www.Medicaid.gov">Medicaid.gov</a></li><li>▪ <a href="https://www.Medicaid.gov/chip/index.html">Medicaid.gov/chip/index.html</a></li><li>▪ <a href="https://www.Medicaid.gov/medicaid/outreach-tools/supporting-enrollment-efforts/index.html">Medicaid.gov/medicaid/outreach-tools/supporting-enrollment-efforts/index.html</a></li></ul>
Social Security	<ul style="list-style-type: none"><li>▪ Call 1-800-772-1213. TTY: 1-800-325-0778</li><li>▪ <a href="https://www.socialsecurity.gov">socialsecurity.gov</a></li></ul>
Federal Medical Assistance Percentages	<ul style="list-style-type: none"><li>▪ <a href="https://www.ASPE.hhs.gov/health/fmap.cfm">ASPE.hhs.gov/health/fmap.cfm</a></li></ul>
Health Care Expansion and Medicaid	<ul style="list-style-type: none"><li>▪ <a href="https://www.Healthcare.gov/medicaid-chip/medicaid-expansion-and-you">Healthcare.gov/medicaid-chip/medicaid-expansion-and-you</a></li></ul>
InsureKidsNow	<ul style="list-style-type: none"><li>▪ <a href="https://www.InsureKidsNow.gov">InsureKidsNow.gov</a></li><li>▪ <a href="https://www.InsureKidsNow.gov/library/index.html">InsureKidsNow.gov/library/index.html</a></li></ul>
Local state offices:	<ul style="list-style-type: none"><li>▪ <a href="https://www.Medicaid.gov/medicaid/by-state/by-state.html">Medicaid.gov/medicaid/by-state/by-state.html</a></li></ul>

# Medicaid and Children's Health Insurance Program (CHIP) Products

1. "The State Medicaid Manual"	<a href="https://www.cms.gov/Regulations-and-Guidance/guidance/Manuals/Paper-Based-Manuals-Items/CMS021927.html">CMS.gov/Regulations-and-Guidance/guidance/Manuals/Paper-Based-Manuals-Items/CMS021927.html</a>
2. "Children's Health Insurance Program"	<a href="https://www.Medicaid.gov/chip/index.html">Medicaid.gov/chip/index.html</a>
3. Medicaid and CHIP Coverage of Lawfully Residing Children and Pregnant Women	<a href="https://www.Medicaid.gov/medicaid/outreach-and-enrollment/lawfully-residing/index.html">Medicaid.gov/medicaid/outreach-and-enrollment/lawfully-residing/index.html</a>
4. 2018 Medicare Savings Program (MSP) Income Limits	<a href="https://www.CMSnationaltrainingprogram.cms.gov/sites/default/files/shared/2018-Medicare-Savings-Program-Job-Aid.pdf">CMSnationaltrainingprogram.cms.gov/sites/default/files/shared/2018-Medicare-Savings-Program-Job-Aid.pdf</a>
5. "Dual Eligible Beneficiaries Under the Medicare and Medicaid Programs"	<a href="https://www.CMS.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/downloads/Medicare_Beneficiaries_Dual_Eligibles_At_a_Glance.pdf">CMS.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/downloads/Medicare_Beneficiaries_Dual_Eligibles_At_a_Glance.pdf</a>

**To access these products:**

- View and order single copies at [Medicare.gov/publications](https://www.Medicare.gov/publications).
- Order multiple copies (partners only) at [Productordering.cms.hhs.gov](https://www.Productordering.cms.hhs.gov).

*You must register your organization.*

# Acronyms

**BHP** Basic Health Program

**CHIP** Children's Health Insurance Program

**CMS** Centers for Medicare & Medicaid Services

**ESRD** End-Stage Renal Disease

**FMAP** Federal Medical Assistance Percentage

**FPL** Federal Poverty Level

**HCBS** Home and Community-Based Services

**MAGI** Modified Adjusted Gross Income

**MSP** Medicare Savings Program

**NTP** National Training Program

**QDWI** Qualified Disabled and Working Individual

**QHP** Qualified Health Plans

**QI** Qualified Individual

**QMB** Qualified Medicare Beneficiary

**SLMB** Specified Low-Income Medicare Beneficiary

**SSA** Social Security

# Questions?

