

CS3 – Medicaid Expansion

Statute: 2101(a)(2)

Regulation: 42 CFR 457.320(a)(2) and (3)

INTRODUCTION

To be completed only by states which currently have or elect to implement a Medicaid expansion program.

In this state plan page (fillable PDF) states provide the qualifying ages for children and the income eligibility standards the state uses for determining eligibility under its Medicaid expansion program.

Those states newly electing a Medicaid expansion, and therefore changing the composition of their CHIP programs are **not** required to submit a state plan page to document the change in program type (e.g., from separate to combination). CMS will track this information separately.

BACKGROUND

One of the options states have to provide child health assistance to uninsured, low-income children using title XXI funding, is via an expansion of their Medicaid program. States may choose to offer child health assistance solely under a Medicaid expansion or in combination with coverage offered under a separate program.

Under the Medicaid expansion option states can expand coverage to children who do not qualify for Medicaid under the state's income rules in effect as of March 31, 1997. States may expand eligibility for Medicaid under 1902(a) either through an expansion of income for the mandatory group of poverty-level related children or through the creation of an optional targeted low-income children group.

States establish the qualifying income limits to be used under this option. Effective January 1, 2014, the minimum qualifying income level for Medicaid is increased to 133% FPL for children ages 6 up to 19, making 133% FPL the minimum income level for all children under 19 (42 CFR 435.118). States with a Medicaid expansion program at income standards below 133% FPL must submit a state plan amendment to reflect revised income standards, with a lower level of no less than 133 percent of the FPL to be in compliance with this requirement. States may continue to receive title XXI funding for children transitioning to Medicaid and also receive title XXI funding for children newly eligible for Medicaid as a result of this requirement. All other Medicaid rules under the state's Medicaid plan apply.

Also effective January 1, 2014, all states are required to use MAGI-based income methodologies to determine income eligibility for CHIP (42 CFR 457.315). Existing Medicaid expansion

CS3 – Medicaid Expansion

programs using a net income standard must convert their existing income standards (Medicaid expansion FPLs), to MAGI-equivalent standards.

The same financial requirements (income restrictions) applicable to a separate child health program also apply to a Medicaid expansion.

This option applies only to children and cannot be used for coverage of pregnant women.

TECHNICAL GUIDANCE

PREREQUISITES:

A Medicaid SPA for coverage of children, S30 (Mandatory - Infants and Children under Age 19) and/or S54 (Optional Targeted Low-Income Child) must also have been submitted prior to or on the same day as submittal of state plan page CS3.

Review Criteria

The income limits entered in CS3 must match those entered for the same age groups in the Medicaid state plan pages S30 (Mandatory - Infants and Children under Age 19) and/or S54 (Optional Targeted Low-Income Children), as applicable. If the Medicaid state plan pages S10 (MAGI-Based Income Methodologies); S30 and/or S54; and the Medicaid MAGI-conversion plan are not approved, state plan page CS3 cannot be approved.

CS3 must be completed by states offering title XXI-funded coverage to children through an expansion of Medicaid or a combination of a Medicaid expansion and separate CHIP. This state plan page is to be completed only for the state's Medicaid expansion program.

In CS3 states are asked to first provide the age range to which a qualifying income standard applies and then to enter the household income range that applies to the age range entered.

Review Criteria

The state must enter the age ranges and their respective income standards or this state plan page cannot be approved.

For "From Age" and "To Age", states select ages from a drop down list of values from zero through 19.

CS3 – Medicaid Expansion



Note: The “From Age” includes the child’s birthday. The “To Age” should be read as “up to, but not including”. That is, for example, up to age 6 means until the child’s sixth birthday but not including the child’s birthday.

Review Criteria

There should not be overlaps or gaps from one age range to the next. In order to avoid age gaps, the “To Age” of each age range should be the same as the “From Age” of the next age range (e.g., up to (but not including) age 6, and on the next line from age 6 up to...). Although the same number is entered for “To Age” as for “From Age” of the next age range, this does not constitute an overlap. However two age ranges that both include the same ages, such as the first two years of life (From age 0 up to (but not including) age 2 on one line and from age 0 up to (but not including) age 6) on the next line is an overlap.

Additionally for each age range the number entered for “To Age” must be greater than the number entered for “From Age”.

There are two fields for household income ranges, labeled “Above” for the lower end of the income standard and “Up to and including” for the upper bound of the income standard. The state enters the Federal Poverty Level (FPL) percentages, applicable to the income standard used for the age range entered.

Note: The “Above” amount does not equal the actual dollar amount represented by the FPL percentage entered, but rather, it is equal to one cent above the dollar amount represented by the FPL percentage entered. However, “Up to and including” is inclusive of the actual dollar amount represented by the FPL percentage entered. Example: for income range of above 185% (dollar value = \$1,850) up to and including 250% (dollar value = \$2,500), the lower end equals \$1,850.01 and the upper end equals \$2,500 exactly).

If the state has different income standards for different age groups, the state reselects the button to the left of the age/income grid and repeats the process until all the income standards have been entered.

Review Criteria

Within each income range entered, the number for “Up to and including” must be greater than the number entered for “Above”. In order to avoid income gaps, the number entered for the lower end of each income range, which is the “Above” column, must be equal to the qualifying income standard used for Medicaid for children of the same age. For example, if the applicable Medicaid upper income limit is 133 percent of the FPL, then the number

CS3 – Medicaid Expansion



entered for “Above” in CS3 (i.e. the Medicaid expansion lower income) would also be 133 percent FPL because the income standard is anything above 133 percent of the FPL.