

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S2-01-16
Baltimore, MD 21244-1850



Children and Adults Health Programs Group

SEP 08 2015

Mari Cantwell
Chief Deputy Director
Department of Health Care Services
1501 Capitol Avenue, MS 0000
Sacramento, CA 95899-7413

Dear Ms. Cantwell:

I am pleased to inform you that your title XXI Children's Health Insurance Program (CHIP) state plan amendment (SPA) number CA-14-0002 related to Modified Adjusted Gross Income (MAGI) Eligibility, submitted on June 3, 2014 with additional information provided on August 24, 2015, has been approved with an effective date of January 1, 2014.

SPA number CA-14-0002 converts the state's existing income eligibility standards to MAGI-equivalent standards, by age group, for children covered in its title XXI-funded Medicaid program. A copy of the approved state plan page (CS3) is attached, and should be incorporated into the state's approved CHIP state plan. This page supersedes the current Medicaid expansion Section (4.0) of the current CHIP state plan.

Your title XXI project officer is Ms. Stacey Green. She is available to answer questions concerning this amendment and other CHIP-related issues. Ms. Green's contact information is as follows:

Centers for Medicare & Medicaid Services
Center for Medicaid and CHIP Services
7500 Security Boulevard, Mail Stop S2-01-16
Baltimore, MD 21244-1850
Telephone: (410) 786-6102
Facsimile: (410) 786-5882
E-mail: stacey.green@cms.hhs.gov

Official communications regarding program matters should be sent simultaneously to Ms. Stacey Green and Ms. Henrietta Sam-Louie, Acting Associate Regional Administrator in our San Francisco Regional Office. Ms. Sam-Louie's address is:

Centers for Medicare & Medicaid Services
Office of the Regional Administrator
90 – 7th Street, Suite 5-300
San Francisco, CA 94103-6706

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If you have additional questions, please contact Mr. Manning Pellanda, Director, Division of State Coverage Programs, at (410) 786-5143. We look forward to continuing to work with you and your staff.

Sincerely,

A handwritten signature in black ink, appearing to read "Anne Marie Costello". The signature is fluid and cursive, with the first name "Anne" and last name "Costello" being the most prominent parts.

Anne Marie Costello
Acting Director

cc: Henrietta Sam-Louie, Acting Associate Regional Administrator, CMS Region 9



CHIP Eligibility

State Name:

OMB Control Number: 0938-1148

Transmittal Number:

Expiration date: 10/31/2014

Eligibility for Medicaid Expansion Program **CS3**

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

Income eligibility for children under the Medicaid Expansion is determined in accordance with the following income standards:

There should be no overlaps or gaps for the ages entered.

Age and Household Income Ranges

	From Age	To Age	Above (% FPL)	Up to & including (% FPL)	
+	0	1	208	261	X
+	1	6	142	261	X
+	6	19	108	261	X

PRA Disclosure Statement

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0938-1148. The time required to complete this information collection is estimated to average 50 hours per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. If you have comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: CMS, 7500 Security Boulevard, Attn: PRA Reports Clearance Officer, Mail Stop C4-26-05, Baltimore, Maryland 21244-1850.

V 20140415

Eligibility for Medicaid Expansion CS3 - Attachment

TRANSMITTAL NUMBER:

TN CA-14-0002

STATE:

California

Effective January 1, 2014, and consistent with the Affordable Care Act, the state may only require an applicant to provide the information necessary to make an eligibility determination or for a purpose directly connected to the administration of the state plan. This proxy methodology is needed because questions related to the asset test are no longer permissible. This proxy methodology estimates the portion of newly eligible Medicaid children, from January 1, 2014 forward that would have, prior to that date, been enrolled in CHIP due to the elimination of the Medicaid asset test questions on the application.

The method that establishes the percentage is:

Group B (266,790 based on 2013 average)

Group B (266,790 based on 2013 average) + Group M (2,939,859 based on 2013 average)

Key Assumptions:

- Group B: The 2013 average monthly number of children eligible for CHIP due to elimination of the asset test in Medicaid. The Group B proxy ratio to be utilized by the State is based on the CY 2013 MEDS data. The monthly Group B ratio is calculated using the most recent 2013 MEDS annual data.
- Group M: The 2013 average monthly number of all children in Medicaid except for children eligible for CHIP due to the elimination of the asset test in Medicaid.
- Group B and Group M are based on averages. The average sum of Group B and Group M is 3,206,356. The proxy percentage of 8.32% is determined by dividing 266,790 by 3,206,356.
- Claiming: Each quarter the state will calculate total Medicaid spending for children (excluding Group A costs). The state will then multiply the total figure by the Group B ratio proxy. The allocated total children's Medicaid expenditures will be reported on the CMS-64; 21U. The remainder of the total children's Medicaid expenditures will continue to be reported on the CMS 64 under the current lines and will be matched at the state's title XIX FMAP.
- State Plan Amendments: CMS or California reserve the right to modify the formula if needed at a future date, which would require a State Plan Amendment.