



MICHELLE BAASS
DIRECTOR

State of California—Health and Human Services Agency
Department of Health Care Services



GAVIN NEWSOM
GOVERNOR

October 24, 2022

THIS LETTER SENT VIA EMAIL

Mr. James G. Scott, Director
Division of Program Operations
Medicaid and CHIP Operations Group
Centers for Medicare & Medicaid Services
601 East 12th Street, Suite 0300
Kansas City, MO 64106-2898

STATE PLAN AMENDMENT 22-0041 SEPARATE CHILDREN'S HEALTH INSURANCE PROGRAM (CHIP) PREMIUM REDUCTION SPA

Dear Mr. Scott:

The Department of Health Care Services (DHCS) is submitting the enclosed Title XXI CHIP State Plan Amendment (SPA) 22-0041. This proposed amendment would reduce the imposed premiums on the County Children's Health Initiative Program (CCHIP), Medi-Cal Access Infant's Program (MCAIP), and the Medi-Cal Access Program (MCAP) groups to \$0. This SPA also seeks to memorialize current DHCS policy of not charging any type of copayment for services.

Effective July 1, 2014, California was approved to impose premiums for individuals enrolled in CCHIP and MCAIP. The monthly premiums for these groups were set at thirteen dollars (\$13) per child with a maximum contribution of thirty-nine dollars (\$39) per family. In addition, subscriber contributions were established for the MCAP group at a rate of 1.5 percent of the household income.

The impact of the COVID-19 Public Health Emergency was unprecedented, with many families becoming affected financially. Premium requirements add undue financial burden for families that are already living on limited incomes, which in turn have lasting impacts on the health and well-being of children and pregnant individuals.

The California 2022-2023 State Budget approved a reduction of premiums to \$0 for the above-described program groups, effective July 1, 2022. Approval of this SPA to align with the state budget would eliminate financial barriers to coverage for families whose income would require a premium. The State requests that this CHIP SPA have an effective date of July 1, 2022.

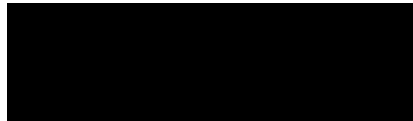
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In compliance with the policy set forth by the American Recovery and Reinvestment Act of 2009, DHCS notified Indian Health Programs (IHPs) and Urban Indian Organizations of 22-0031. On May 26, 2022, CMS approved DHCS' rationale that no tribal consultation was needed for CHIP SPA 22-0041.

Included in this SPA submission is the CMS 179 form and the amended State Plan sections. DHCS has reviewed and submitted the updated CS21 Medicaid Model Data Lab (MMDL) template.

If you have any questions or need additional information, please contact Sandra Williams, Chief of Medi-Cal Eligibility Division by email at Sandra.Williams@dhcs.ca.gov.

Sincerely,



Jacey Cooper
State Medicaid Director
Chief Deputy Director
Health Care Programs

Enclosures

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**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER

2. STATE

3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL SECURITY ACT

XIX

XXI

TO: CENTER DIRECTOR
CENTERS FOR MEDICAID & CHIP SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE

5. FEDERAL STATUTE/REGULATION CITATION

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY _____ \$ _____

b. FFY _____ \$ _____

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)

9. SUBJECT OF AMENDMENT

10. GOVERNOR'S REVIEW (Check One)

GOVERNOR'S OFFICE REPORTED NO COMMENT
COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

OTHER, AS SPECIFIED:
Please note: The Governor's Office does not wish to review the State Plan Amendment.

11. SIGNATURE OF STATE AGENCY OFFICIAL

[Redacted Signature]

15. RETURN TO

12. TYPED NAME

13. TITLE

14. DATE SUBMITTED

October 24, 2022

FOR CMS USE ONLY

16. DATE RECEIVED

17. DATE APPROVED

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL

19. SIGNATURE OF APPROVING OFFICIAL

20. TYPED NAME OF APPROVING OFFICIAL

21. TITLE OF APPROVING OFFICIAL

22. REMARKS

- 1.4. Provide the effective (date costs begin to be incurred) and implementation (date services begin to be provided) dates for this SPA (42 CFR 457.65). A SPA may only have one effective date, but provisions within the SPA may have different implementation dates that must be after the effective date.

CA RESPONSE:

SPA # 22-0041 Purpose of SPA: To reduce the dollar amount for premiums and subscriber contributions imposed upon the separate CHIP populations to zero dollars. Also, to memorialize the removal of copays for the CCHIP population.

Proposed effective date: 07-01-2022

Proposed implementation date: 07-01-2022

- 8.2. Describe the amount of cost-sharing, any sliding scale based on income, the group or groups of enrollees that may be subject to the charge by age and income (if applicable) and the service for which the charge is imposed or time period for the charge, as appropriate. (Section 2103(e)(1)(A)) (42CFR 457.505(a), 457.510(b) and (c), 457.515(a) and (c))

- 8.2.1. Premiums:

CA RESPONSE:

As of July 1, 2022, California has reduced the amount for premiums and subscriber contributions to zero dollars (\$0).

- 8.2.3. Coinsurance or copayments:

CA RESPONSE:

Not applicable

- 8.5. Describe how the State will ensure that the annual aggregate cost-sharing for a family does not exceed 5 percent of such family's income for the length of the child's eligibility period in the State. Include a description of the procedures that do not primarily rely on a refund given by the State for overpayment by an enrollee: (Section 2103(e)(3)(B)) (42CFR 457.560(b) and 457.505(e))

CA RESPONSE:

As of July 1, 2022, California has reduced the amount for premiums and subscriber contributions to zero dollars (\$0).

8.7. Provide a description of the consequences for an enrollee or applicant who does not pay a charge. (42CFR 457.570 and 457.505(c))

CA RESPONSE:

As of July 1, 2022, California has reduced the amount for premiums and subscriber contributions to zero dollars (\$0).



CHIP Eligibility

State Name:

OMB Control Number: 0938-1148

Transmittal Number: CA - 22 - 0041

| | |
|--|-------------|
| Separate Child Health Insurance Program Non-Financial Eligibility - Non-Payment of Premiums | CS21 |
|--|-------------|

42 CFR 457.570

Non-Payment of Premiums

Does the state impose premiums or enrollment fees?

Can non-payment of premiums or enrollment fees result in loss of CHIP eligibility?

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.20181119