

Title of Rule: Revisions to the Medicaid Eligibility Rules pursuant to changes set forth in the Balanced Budget Act of 1997 to offer up to 12-months of continuous eligibility, affecting Section 8.100.3

Rule Number: MSB 15-05-27-D

Division / Contact / Phone: Eligibility Division / Ana Bordallo / 3558

STATEMENT OF BASIS AND PURPOSE

1. Summary of the basis and purpose for the rule or rule change. (State what the rule says or does and explain why the rule or rule change is necessary).

The proposed rule changes amend 10 CCR 2505-10 8.100.3 to provide up to 12-month continuous eligibility for additional categories of Medicaid for children. This rule will incorporate changes elected by the state under section 1902(e)(12) of the Social Security Act that allows continuous eligibility for children eligible under section 1902(a)(10)(A) of the Act. This rule will be a positive impact to children by providing continuity of care. This will be accomplished through continuous eligibility regardless of changes in the family's circumstances, with some exceptions. Most importantly, continuous eligibility will reduce the cycling of children on and off of Medicaid. The state will be updating the Colorado Benefits Management System (CBMS) to be in alignment with our federal regulations effective October 1, 2015. This rule also needs to be updated to ensure the state is in compliance with federal regulations.

2. An emergency rule-making is imperatively necessary

to comply with state or federal law or federal regulation and/or

for the preservation of public health, safety and welfare.

Explain:

3. Federal authority for the Rule, if any:

The Balanced Budget Act of 1997, 1902(e)(12) of the Social Security Act and 1902(a)(10)(A)

4. State Authority for the Rule:

25.5-1-301 through 25.5-1-303, C.R.S. (2014);
C.R.S. § 25.5-5-204.5.

Initial Review **07/10/2015**

Final Adoption **08/14/2015**

Proposed Effective Date **10/01/2015**

Emergency Adoption

DOCUMENT #05

AB

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REGULATORY ANALYSIS

1. Describe the classes of persons who will be affected by the proposed rule, including classes that will bear the costs of the proposed rule and classes that will benefit from the proposed rule.

The proposed rule will affect children currently enrolled in the SSI Mandatory, Buy-In and the Long Term Care Medicaid programs. Continuous eligibility will also apply to children who no longer qualify for Foster Care services. Children that would have otherwise be discontinued from these Medicaid programs will maintain coverage for up to 12 months of continuous eligibility; regardless of changes in the family's circumstances, with some exceptions.

2. To the extent practicable, describe the probable quantitative and qualitative impact of the proposed rule, economic or otherwise, upon affected classes of persons.

Children that would have otherwise been discontinued from the Medicaid program will maintain coverage for up to 12 months of continuous eligibility; this ensures continuity of care for children which have a positive impact on health outcomes.

3. Discuss the probable costs to the Department and to any other agency of the implementation and enforcement of the proposed rule and any anticipated effect on state revenues.

Continuous eligibility was applied to low-income children enrolled in the MAGI -Medicaid and the Children's Health Plan Plus program on March 2014. The proposed rule change applies to children that are not likely to experience churn due to changes in income since they were determined eligible based on either having a disability or being in Foster Care. For this reason, the Department assumes any fiscal impact to be minimal.

4. Compare the probable costs and benefits of the proposed rule to the probable costs and benefits of inaction.

The change is federally required. Inaction is not an option as it would out the State at significant risk of losing federal funding.

5. Determine whether there are less costly methods or less intrusive methods for achieving the purpose of the proposed rule.

There are no alternatives as the changes are necessary for compliance with federal regulations.

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6. Describe any alternative methods for achieving the purpose for the proposed rule that were seriously considered by the Department and the reasons why they were rejected in favor of the proposed rule.

There are no alternative methods for the proposed rule that were considered.

1 **8.100.3. Q. Continuous Eligibility (CE) for Medical Assistance programs**

2 1. Continuous eligibility applies to children under age 19, who are determined or
3 redetermined eligible for Medical Assistance programs for up to twelve (12) months.

4 a. The continuous eligibility period applies without regard to changes in income or
5 other factors that would otherwise cause the child to be ineligible.

6 i) A 14-day no fault period shall be applied to correct information upon
7 being determined eligible for medical assistance. This means that
8 corrections to eligibility information made within the first 14 days will
9 redetermine eligibility. This will cause for eligibility to be determined for
10 another medical assistance program or be ineligible, if applicable.

11 b. Exception: A child's continuous eligibility period will end effective the earliest
12 possible month if any of the following occur:

13 i) Child is deceased

14 ii) Becomes an inmate of a public institution

15 iii) Is no longer living in the home

16 iv) Is no longer a Colorado resident

17 v) Is unable to be located

18 vi) Requests to be withdrawn from continuous eligibility

19 vii) Fails to provide documentation during a reasonable opportunity period as
20 specified in section 8.100.3.H.9

21 viii) Fails to comply in resolving an income discrepancy as outlined in section
22 8.100.4.C.2

23 2. Continuous eligibility is applicable to children enrolled in the following Medical Assistance
24 programs:

25 a. Children eligible for the MAGI-Medical Assistance program specified in section
26 8.100.4.G.2

27 b. Children eligible for SSI Mandatory as specified in section 8.100.6.C

28 c. Children eligible in the Medicaid Buy-In program specified in section 8.100.6.Q

29 i) Exception: Enrollment will be discontinued if there is a failure to pay
30 premiums

31 3. Children no longer enrolled in Foster Care Medicaid will be eligible for the MAGI-Medical
32 Assistance program. The continuous eligibility period will begin the month the child is no
33 longer enrolled in Foster Care Medicaid as long as they meet one of the following
34 exceptions:

- 1 a. Begin living with other Relatives
- 2 b. Are reunited with Parents
- 3 c. Have received guardianship
- 4

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