



STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES
P. O. Box 339
Honolulu, Hawaii 96809-0339

October 19, 1998

Ms. Nancy-Ann Min DeParle, Administrator
Health Care Financing Administration
Department of Health and Human Services
7500 Security Boulevard
Baltimore, Maryland 21244

Attention: Family & Children's Health Programs Group
Center for Medicaid and State Operations
Mail Stop C4-14-16

Dear Ms. Min DeParle:

The State of Hawaii is pleased to submit Hawaii's plan for expanding health coverage to children who are uninsured under Title XXI of the Social Security Act.

Our State has elected to implement Title XXI through an expansion of our Medicaid program, phasing-in health coverage for our children who are uninsured, by age and by family income level. This request presents for your review and approval, our proposal for the first phase of three. Subsequent amendments will be submitted to effect the State's plan for implementation of the second and third phases of our Title XXI Medicaid expansion. May we provide the assurance at this time, that no state funds for which FFP was claimed have been used to finance any portion of coverage of the Title XXI population that we are intending to serve in each of the three phases.

We are transmitting these documents electronically, by diskette, and in hard copy. In addition to our electronic transmissions to the Central and Regional Offices, one (1) diskette and one (1) hard copy each, are being sent to the Central Office and to the Region IX HCFA Office. Please be advised that our Medicaid Title XIX State Plan Amendment is being sent under separate cover.

If you have any questions about this plan, please contact Mr. Charles Duarte, Administrator of the Med-QUEST Division, State Department of Human Services at (808) 586-6486.

AN EQUAL OPPORTUNITY AGENCY

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The State of Hawaii is excited about the opportunity offered by Title XXI to expand health coverage to our children who are uninsured. We thank you in advance for your consideration of our plan, and look forward to your review and approval.

Sincerely,

Susan M. Chandler, M.S.W., Ph.D.
Director

c: Mr. Richard Chambers, HCFA Region IX
Ms. Debra Baumert, HCFA Region IX
Ms. Mary Rydell, HCFA Pacific Representative

AN EQUAL OPPORTUNITY AGENCY

**MODEL APPLICATION TEMPLATE FOR
STATE CHILD HEALTH PLAN UNDER TITLE XXI OF THE SOCIAL SECURITY ACT
STATE CHILDREN'S HEALTH INSURANCE PROGRAM**

(Required under 4901 of the Balanced Budget Act of 1997 (New section 2101(b)))

State/Territory: _____ STATE OF HAWAII _____
(Name of State/Territory)

As a condition for receipt of Federal funds under Title XXI of the Social Security Act,

(Signature of Governor of State/Territory, Date Signed)

submits the following State Child Health Plan for the State Children's Health Program and hereby agrees to administer the program in accordance with the provisions of the State Child Health Plan, the requirements of Title XXI and XIX of the Act and all applicable Federal regulations and other official issuances of the Department.

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 0938-0707. The time required to complete this information collection is estimated to average 160 hours (or minutes) 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 any comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: HCFA, P.O. Box 26684, Baltimore, Maryland 21207 and to the Office of the Information and Regulatory Affairs, Office of Management and Budget, Washington, D.C. 20503.

Section 1. General Description and Purpose of the State Child Health Plans (Section 2101)

The state will use funds provided under Title XXI primarily for (Check appropriate box):

- 1.1. Obtaining coverage that meets the requirements for a State Child Health Insurance Plan (Section 2103); **OR**
- 1.2. Providing expanded benefits under the State's Medicaid plan (Title XIX); **OR**
- 1.3. A combination of both of the above.

This request is aimed at receiving approval for the first of three phases of Hawaii's Title XXI Medicaid expansion program. Briefly, the State's approach involves phasing-in coverage for uninsured children by age and income on a statewide basis above and beyond the current QUEST and Medicaid FFS program eligibility criteria, (Refer to Attachment A - Current Eligibility Criteria For Children < 19 Years Old) .

- **First Phase:** The provision of health coverage for uninsured children ages 1 < 6 years old with family incomes above 133% and up to 185% FPL. (Refer to Attachment B - First Phase of Title XXI)
- **Second Phase:** Increasing the number of children covered by 2-year age increments (ages 6 < 8; 8 < 10; 10 < 12, etc.) until all uninsured children up to age 19 with family incomes up to 185% are provided health coverage.
- **Third Phase:** Provision of health coverage for all uninsured children between ages 0 < 19 with family incomes between 186%- 200% FPL.

The State intends to submit subsequent amendments to implement the second and third phases of our Title XXI State Plan. (Refer to Attachment B - Proposed Coverage for First Phase to Third Phase)

Section 2. General Background and Description of State Approach to Child Health Coverage
 (Section 2102(a)(1)-(3)) and (Section 2105)(c)(7)(A)-(B))

2.1. Describe the extent to which, and manner in which, children in the state including targeted low-income children and other classes of children, by income level and other relevant factors, such as race and ethnicity and geographic location, currently have creditable health coverage (as defined in section 2110(c)(2)). To the extent feasible, make a distinction between creditable coverage under public health insurance programs and public-private partnerships (See Section 10 for annual report requirements).

CREDITABLE HEALTH COVERAGE FOR HAWAII'S CHILDREN

Hawaii's Prepaid Health Insurance Act enacted in 1974 established the mandate for Hawaii employers to provide medical benefits to all employees working an average of 20 or more hours per week. While the Act does not require dependent coverage, if offered to employees, it must provide child health services (i.e. immunizations, well-child visits) from the moment of birth through age five.

As a result of this Act, the majority of Hawaii's working population and their families have been covered by creditable medical and psychiatric benefits through employer-based health plans. In 1996, of the estimated 1.184 million people in Hawaii, 91%, or 1.08 million people, were covered by health benefits.

Table 1 below presents the insurance status of Hawaii's children under 18 by income levels. This data indicates that 265,800 or 88.8% of Hawaii's children under 18 were among those receiving health coverage, with 29,750 or 9.9%, uninsured. (Please note the 1% unknown status rate).

Table 1.
 NUMBER & PERCENTAGE OF ALL CHILDREN UNDER 18 BY HEALTH INSURANCE COVERAGE AND FPL STATUS

FPL STATUS	INSURANCE COVERAGE			TOTAL
	Insured	Uninsured	Unknown	
0 - 100%	40,366	11,078	881	52,326 (17.5%)
101 - 185%	50,560	5,881	85	56,527 (18.9%)
186 - 275%	42,062	3,887	0	45,949 (15.3%)
276 - 300%	17,073	628	0	17,702 (5.9%)
>300%	63,863	1,612	0	65,475 (21.8%)
Unknown	51,877	6,662	2,805	61,344 (20.5%)
Total	265,801	29,750	3,773	299,324 (100%)

* The health insurance data collection for the annual Hawaii Health Survey has been jointly funded by a Title V grant through the federal MCH Bureau, and the Primary Care Cooperative Agreement grant through the federal Bureau of Primary Health Care. Both grants are administered by the State's Title V agency - the Family Health Services Division of the Department of Health.

The insured/uninsured percentages for 1997 do not differ appreciably from that of 1996. Estimates indicate that of the State's approximately 320,000 children ages 18 and under, 90% or 288,000 were insured, leaving approximately 10% or 32,000 children, uninsured.

**SOURCES OF CREDITABLE HEALTH COVERAGE FOR HAWAII'S
CHILDREN -- PRIVATE HEALTH PLANS AND MEDICAID**

In 1997, employer-based health plans provided benefits for approximately 70% of insured children in Hawaii. The remaining 30% or 77,000 children were covered by either the state's Medicaid Aged, Blind, and Disabled (ABD) fee-for-service program, or Hawaii's Section 1115 Waiver Program -- the QUEST and QUEST-Net Programs.

Medicaid Aged, Blind and Disabled (ABD) Program

Medicaid's Title XIX program provides health coverage for children with disabilities who meet SSI criteria and are:

- Ages 0 < 1 with family incomes up to 185% FPL with no asset test requirement;
- Ages 1 < 6 with family incomes up to 133% FPL, also without an asset test requirement;
- Ages 6 < 14, born after 9/30/83, who have family incomes up to 100% FPL with no application of an asset test; and
- Children < 19, born before 9/30/83 with family incomes up to 100% FPL, who must meet the asset test.

These children with disabilities who constitute approximately 10% of Medicaid's total ABD population and 1% of Hawaii's insured children, are being provided all mandatory Medicaid services, including EPSDT services and various optional services, through Medicaid's traditional fee-for-service program.

In 1997, 3,152 children with disabilities under age 19 were eligible for the Medicaid fee-for-service program. Approximately 8% or 250 children with disabilities were under one year of age, with the largest number of children being served in the 1 - 3 year(s) old range.

Hawaii's Section 1115 Waiver Program

Hawaii QUEST Program

96% of the children receiving Medicaid program services are being provided comprehensive health benefits, including EPSDT services, through the QUEST program -- Hawaii's Section 1115 waiver program. In FY 1997, of the 130,000 persons enrolled in QUEST, 74,000 or 57% were children under age 19.

Reflecting the state's overall population distribution, the majority of QUEST-enrolled children (65%) are Oahu residents, with the number of children on the islands of Hawaii, Maui, Kauai, Molokai and Lanai following, respectively. As with Medicaid's FFS population, about 8% of all QUEST children (5,800) are under the age of one.

Figures 1 and 2 show the percentage distribution of children by island in the QUEST and Medicaid fee-for-service programs at the end of SFY 97.

Figure 1

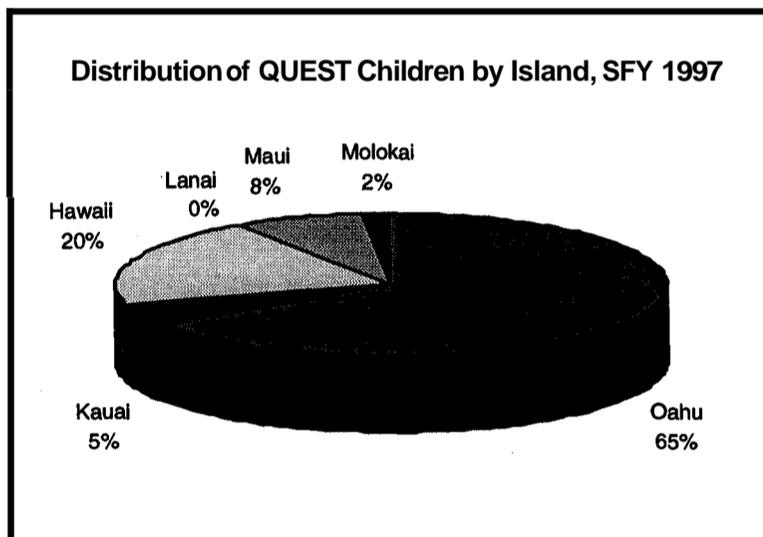
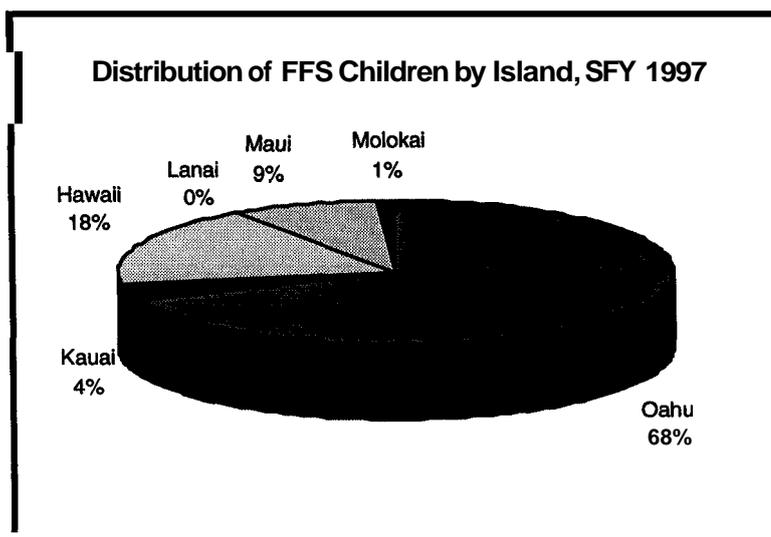


Figure 4



QUEST Program Changes

Initiated in August **1994**, the QUEST Medicaid expansion program provided coverage for approximately **108,000** recipients who had been enrolled in three separate public-funded medical assistance programs -- Aid to Families with Dependent Children (AFDC, now TANF), the General Assistance program, and the State Health Insurance Program (SHIP). The latter program, with an enrollment of 20,000, was a state-funded initiative developed to provide limited health benefits to adults and children in the uninsured gap group.

With an income eligibility limit of 300% **FPL** and a no-asset test requirement, the QUEST managed care program received an overwhelming response in the first year of operation -- approximately **157,000** persons were enrolled in QUEST, **47,000** above the initial membership projection of 110,000.

While the implementation of QUEST had resulted in decreased per capita costs, the State recognized that Medicaid's overall budget could not sustain the continuing enrollment growth. Initial amendments to QUEST's eligibility criteria and premium sharing provisions were therefore, initiated in August **1995**. In February **1996**, a further adjustment was applied to the sliding premium share scale, adult dental benefits were reduced to emergency care only, and a QUEST enrollment cap of 125,000 was activated. While the QUEST cap continues to be in place, protections continue for the following groups of people:

- Recipients of AFDC or General Assistance;

- Pregnant women and infants (age $0 < 1$) whose countable family income does not exceed **185%FPL**;
- Children age **1** but less than **6**, whose countable family income does not exceed **133%** of **FPL**;
- Children **6** years to under age **19** born after September **30,1983** whose countable family income does not exceed **100%FPL**;
- Persons whose countable family income does not exceed the AFDC standard of assistance;
- Children in foster care, under the relative placement program administered by the Department, or covered by Title IV-E, or state-funded subsidized adoption agreements; and
- Individuals who lose employer-sponsored health coverage due to loss of employment within **45** days prior to application.

In April **1996**, additional changes to QUEST were initiated in response to a legal challenge maintaining that QUEST's eligibility criteria violated the equal accommodations provision of the Americans with Disabilities Act (ADA). **An** asset test consistent with Medicaid's fee-for-service program was applied to QUEST members. Additionally, adults with a family income above **100%FPL** were required to pay **100%** of their medical, dental and catastrophic care premiums. And, in December **1997**, to address the same lawsuit calling for parity between the QUEST and ABD programs, the state lowered QUEST's income limit from **300%** FPL to **100%FPL**. Budgetary constraints could not support the option of increasing the ABD populations' income limit to **300%FPL**.

The QUEST-Net Program -- A Safety Net

Recognizing that changes in QUEST's eligibility criteria would result in people becoming ineligible for QUEST, the State initiated the QUEST-Net program in April **1996**. Developed as a safety net program for persons with incomes above **100%FPL**, QUEST-Net has provided health coverage through the QUEST health and dental plans for: 1) persons enrolled in QUEST who no longer meet QUEST's income and asset criteria; and 2) persons enrolled in Medicaid's FFS program, who, among other criteria, have assets that rise above the Medicaid asset limit, but fall within the higher asset limit of QUEST-Net.

A required monthly premium of **\$60** per person for all QUEST-Net enrollees with incomes above **100%FPL** provides QUEST-Net adults with a limited health benefit package. Children in QUEST-Net however, continue to receive full QUEST benefits. For QUEST-enrolled families with incomes above **100%FPL** who were required to pay the full premium share for each child (approximately **\$152 PMPM**), the QUEST-Net program's **\$60** premium has provided a more affordable alternative.

In March 1998, a total of 1,760 children were enrolled in QUEST-Net out of the approximately 4,000-member enrollment. The breakdown per age group follows:

AGE GROUP	NUMBER
Children under age 1	18
Children age 1 - 6	486
Children born after 09/30/83: Ages 7 - 15	974
Children born on or before 09/30/83: Ages 15 - 18	282
TOTAL	1760

HAWAII'S UNINSURED CHILDREN BY AGE AND INCOME LEVEL

The following Tables present the findings of the 1997 Hawaii Health Survey conducted by the State's Department of Health. (Table 4. reflects the total of Tables 2. and 3.) *The variance between the numbers in the individual cells and total is due to rounding to the nearest whole number.*

Table 2.

UNINSURED CHILDREN FROM INSURED HOUSEHOLDS BY FPL STATUS

AGE	INCOME					TOTAL
	0 - 100%	101 - 133%	134 - 185%	186 - 200%	201 - 300%	
0	62	59	29	18	149	317
1 - 6	342	614	166	0	1,249	2,372
7 - 14	299	691	502	0	1,928	3,420
15 - 18	1,576	618	542	2	15	2,752
Total	2,279	1,982	1,238	21	3,341	8,861

Table 3.

UNINSURED CHILDREN FROM UNINSURED HOUSEHOLDS BY FPL STATUS

AGE	INCOME					TOTAL
	0 - 100%	101 - 133%	134 - 185%	186 - 200%	201 - 300%	
0	311	7	12	9	9	348
1 - 6	5,573	2,539	455	11	3,140	11,717
7 - 14	4,987	1,307	1,144	9	9	7,455
15 - 18	2,196	6	250	278	137	2,866
Total	13,067	3,858	1,860	307	3,294	22,386

Table 4.
TOTAL UNINSURED CHILDREN BY FPL STATUS
(Total of Table 2. and Table 3.)

AGE	INCOME					TOTAL
	0 - 100%	101 - 133%	134 - 185%	186 - 200%	201 - 300%	
0	374	65	40	28	158	665
1 - 6	5,915	3,153	621	11	4,389	14,089
7 - 14	5,286	1,998	1,645	9	1,937	10,875
15 - 18	3,771	624	791	280	151	5,618
Total	15,346	5,840	3,098	328	6,635	31,247

According to this Hawaii Health Survey data:

- Approximately 31,250 children with family incomes up to 300% FPL were uninsured; and
- 24,600 or 79% of these uninsured children had family incomes up to 200% FPL.

Additionally, the 1997 data also indicates that approximately 16,830 children (54% of 31,247) may have met Medicaid's income eligibility criteria but had not been enrolled in the Medicaid program. (See Table 5. below)

Table 5.
UNINSURED CHILDREN BY FPL STATUS
WHO ARE MEDICAID ELIGIBLE BUT NOT YET ENROLLED

AGE	INCOME LEVEL			TOTAL
	0 - 100%	101 - 133%	134 - 185%	
0	374	95	40	509
1 - 6	5,915	3,153		9,068
7 - 14	5,286			5,286
15 - 18	1,999*			1,999
	TOTAL			16,832

According to the data above, the largest group of children meeting Medicaid's income eligibility criteria who were not yet enrolled were preschool-age children, 1 up to age 6 with family incomes up to 133% FPL (approximately 9,000 children). School-age

* 1,999 is based on the following assumptions: 1) 50% of the total number of uninsured children in this age group have family incomes up to the AFDC Standard of Assistance (62.5% FPL) and therefore, meet Medicaid-QUEST'S income eligibility criteria. [50% of 3,771 = 1,886]. 2) 3% of the total number of uninsured children in this age group with family income up to 100% FPL are children with disabilities [3% of 3,771 = 113] and therefore, meet Medicaid fee-for-service income eligibility criteria. [1,886 + 113 = 1,999]

children, ages 7 - 14 follow, with teens, ages 15 – 18, next. The number of uninsured children under age 1 with family incomes up to 185% FPL appears to be significantly lower -- approximately 500. This most probably reflects the proactive advocacy efforts in the State aimed at identifying and enrolling low income pregnant women and their newborns.

The overall projections of the number of uninsured children are sobering and unsettling in light of the State’s current economic difficulties. Today, business failures in Hawaii are up 60% over 1996, the number of bankruptcies are second in the nation, the State’s unemployment rate has surpassed the national average, and Hawaii’s ailing economy continues to suffer from the ripple effect of the unstable Asian market. At a time when the State’s health and social service programs increasingly become targets of funding reductions, there are numerous indications that the number of uninsured persons in Hawaii will continue to grow.

22 Describe the current state efforts to provide or obtain creditable health coverage for uncovered children by addressing: (Section 2102)(a)(2)

2.2.1. The steps the state is currently taking to identify and enroll all uncovered children who are eligible to participate in public health insurance programs (i.e. Medicaid and state-only child health insurance):

With the increasing restrictions on the State’s Medicaid budget and the existing enrollment cap for QUEST, current State outreach efforts have primarily focused on targeting children with disabilities as well as those groups (see pages 3 and 4) who are protected from the enrollment cap.

To address the potential needs of persons who are losing their jobs due to downsizing or closing of businesses, the Public Information Officer and other staff from the Med-QUEST Division, Hawaii’s Medicaid agency, participate in the State’s Rapid Response Program and conduct on-site Medicaid informational sessions. While adults are often ineligible, children may qualify for QUEST, or if disabled, the Medicaid FFS program.

Informational brochures about Medicaid programs and Medicaid applications continue to be placed in:

- The State Office of Information;
- QUEST health plan offices;

- All State welfare offices. These brochures and informed State welfare staff have played an increasingly important role since the implementation of TANF and the “de-linking” of welfare and medical assistance benefits. For eligible persons, State welfare staff coordinate with Medicaid’s Eligibility Branch.
- Community health centers. According to Hawaii’s community health centers operating in **26** sites on the islands of Oahu, Maui and Hawaii, nearly 70% of their clients had income levels below 100% of **FPL** in **1996**. As a result of their efforts to target outreach and care to particularly vulnerable groups, the greatest proportion of their clients are persons with low incomes who are Medicaid eligible, and include indigenous native Hawaiian/part-Hawaiian people, persons who are homeless, and those in immigrant populations. With the intensified difficulties in Hawaii’s economy, these primary care centers have experienced increasing numbers of uninsured visits. Medicaid provides reimbursement for staff at these primary care centers who provide Medicaid information to clients and assist with the application process.

Outstationing -- In addition to the staff cited above who work out of primary care FQHC’s on Oahu, Medicaid also provides reimbursement for staff stationed at an Oahu-based hospital serving large numbers of Medicaid recipients (DSH). These persons assist with expeditious enrollment of Medicaid eligible persons, particularly, pregnant women, newborns, other protected classes, and children with disabilities.

Informational sessions have been conducted by the Med-QUEST Division for groups such as:

- Pregnant teens at various high schools in conjunction with St. Francis Medical Center;
- Head **Start** programs such as Parents and Children Together (PACT) ;and
- Community-based organizations, such as the AIDS Community Care Team, a statewide consortium of HIV-related care and case management agencies.

And at events such as:

- Health fairs; and
- The annual statewide QUEST informational presentations for the community-at-large.

Contact numbers for information about Medicaid eligibility criteria and

requests for Medicaid applications are available through ASK-2000, a statewide informational hotline providing free and confidential information and referrals.

Additionally, **as** a result of statewide public health initiatives for early identification and intervention, significant efforts have been placed on identifying and enrolling potential Medicaid eligible children with special needs into QUEST or Medicaid's Title XIX programs.

- The maternal/child, and children's advocacy networks, including organizations such as the Hawaii Perinatal Support Group, Healthy Mothers Healthy Babies Coalition, and the Developmental Disabilities Council insure that member agencies are apprised of Medicaid eligibility criteria and methods for accessing services.

Coordinated information sharing and activities between the Med-QUEST Division and various offices of the State's Department of Health, such **as** those listed below, also occurs.

These offices, providing or contracting for direct services and/or case management/care coordination services for groups such **as** pregnant women, children from birth to age 3, and pre-school age children, have been instrumental in identifying and referring clients to the Medicaid Eligibility Branch for eligibility determination:

- Family Health Services Division (Title V), particularly through programs such as the:
 - Zero-To-Three Program;
 - Children with Special Health Needs Program;
 - Mother's Care;
 - BabySAFE - a pretreatment intervention program for pregnant women with substance abuse problems;
 - Family Planning Services Section.
 - WIC Program
- Child and Adolescent Mental Health Division
- Alcohol and Drug Abuse Division
- Public Health Nursing Branch

2.2.2. The steps the state is currently taking to identify and enroll all uncovered children who are eligible to participate in health insurance programs that involve a public-private partnership:

The Hawaii Health Council, comprised of organizations such as the Healthcare Association of Hawaii, HMSA – the Blue Cross/Blue Shield insurance company in Hawaii, the State’s Department of Health, Hawaii State AFL-CIO, Hawaiian Electric Industries, Hawaii Medical Association, Hawaii Chamber of Commerce, Kaiser Foundation Health Plan, Inc., Hawaii Nurses Association and Kapiolani Community College, has been addressing the need to develop limited-benefit health insurance coverage for uninsured children who would not be eligible for Medicaid or Title XXI. To promote coordinated efforts, members from this Council are also participants on the State’s Title XXI Planning Committee.

2.3. Describe how the new State Title XXI program(s) is(are) designed to be coordinated with such efforts to increase the number of children with creditable health coverage so that only eligible targeted low-income children are covered: (Section 2102)(a)(3)

The state will ensure that coordination occurs through implementation of the following measures:

1. Eligibility determination for the State’s Title XXI program will be performed by the State Medicaid agency’s Eligibility Branch (EB), whose staff is currently responsible for determining eligibility for Medicaid’s fee-for-service, QUEST and QUEST-Net programs.
2. Additionally, the State’s same Medicaid application form will be used to determine eligibility for Medicaid and Title XXI programs. This form has the capacity to collect necessary information to first screen for Medicaid eligibility and, if determined to be ineligible for Medicaid, then, determine the child’s eligibility for the State’s Title XXI program.
3. To ensure that Title XXI coverage is targeted to children in families who have not been able to afford dependent coverage or for whom health coverage has not been available, a “firewall” strategy is being proposed. The implementation of this strategy is intended to prevent crowd-out from either private employer-sponsored health coverage or from QUEST-Net coverage.

Specifically, the State will be requiring children applying for the Title XXI Medicaid expansion be uninsured for a period of three (3) months prior to their date of application. Exceptions to this 3-month rule will be made for those children who lose their health coverage due to a parent losing their job within **45** days of the date of their Title XXI application. To ensure that an avenue exists to deliberate on other possible situations warranting an exception to the 3-month rule, the State will also be developing an administrative review process.

In terms of verifying loss of health coverage due to loss of employment, the Med-QUEST Division's Eligibility Branch will follow existing procedures -- the HIPAA certification form currently completed by an individual's health insurance company, and verifying that a the person has lost health coverage due to job loss or reduction in hours.

The State intends to obtain information for the evaluation of the firewall strategy:

- By revising the application's current health insurance-related question to request current and prior insurance coverage. The current application requests the applicant to identify only current coverage. The question will be slightly modified to ask whether the applicant has had coverage within the past 3 months. Only slight modification will be made in order to maintain the three (3) page application form.
 - If the answer to the insurance-related question is "Yes," the details being requested on the current application will continue to be required -- a) name(s) of the person(s) covered; b) insurance company(ies) name(s); c) policy or claim number(s); and d) the policy holders' name and address.
 - The State will modify its eligibility determination process to have the eligibility worker probe for reasons for termination of insurance coverage. If the individual voluntarily terminated insurance coverage in order to obtain CHIP coverage, the worker will deny the application and explain that another application may be filed after 3 months of being uninsured. The State intends to establish a denial code to track application denials due to the 3-month firewall.
 - The State will also check its eligibility system for QUEST-Net coverage to verify that the applicant did not voluntarily terminate QUEST-Net coverage to obtain XXI coverage.
4. Additionally, the State is proposing to submit an amendment to Hawaii's Section 1115 waiver program requesting elimination of the \$60 premium share payment for children ages 1 - 6 in QUEST-Net. The State views the creation of parity between the QUEST-Net and Title XXI programs as a mechanism to promote the continued enrollment of a child in QUEST-Net and avert a situation in which the child must remain without health coverage for 3 months prior to application for the Title XXI Medicaid expansion.

While approval of this amendment is expected to offer a viable disincentive for disenrollment from the QUEST-Net program, implementation of the Title XXI Medicaid expansion and the 3-month crowd-out strategy will not be contingent upon receipt of its approval.

Monitoring/Evaluation of Crowd-Out Strategies

The State acknowledges that these strategies may not be sufficient to prevent substitution. The Med-QUEST Division will therefore, carefully monitor and evaluate the outcomes, and will initiate changes if needed. More specifically, the State proposes a monitoring/evaluation process that will include:

- 1) Data collection of the number of Title XXI Medicaid expansion applications that are denied due to non-compliance with the 3-month rule. (Exception: **An** application for a child whose parent has lost his/her job within **45** days of the date of application will be approved).
- 2) Evaluation of the data collected during the first year of implementation.
- 3) If the total number of denied applications reaches a minimum threshold of 10% of all Title XXI applications processed, the State will make policy changes, including consideration for establishing a more stringent 6-month firewall rule.

Section 3. General Contents of State Child Health Plan (Section 2102)(a)(4)

Check here if the state elects to use funds provided under Title **XXI** only to provide expanded eligibility under the state's Medicaid plan, and continue on to Section 4.

3.1. Describe the methods of delivery of the child health assistance using Title **XXI** funds to targeted low-income children: (Section 2102)(a)(4)

3.2. Describe the utilization controls under the child health assistance provided under the plan for targeted low-income children: (Section 2102)(a)(4)

Section 4. Eligibility Standards and Methodology. (Section 2102(b))

Check here if the state elects to use funds provided under Title XXI only to provide expanded eligibility under the state’s Medicaid plan, and continue on to Section 5.

4.1. The following standards may be used to determine eligibility of targeted low-income children for child health assistance under the plan. Please note whether any of the following standards are used and check all that apply. If applicable, describe the criteria that will be used to apply the standard. (Section 2102)(b)(1)(A))

- 4.1.1. Geographic area served by the Plan: _____
- 4.1.2. Age: _____
- 4.1.3. Income: _____
- 4.1.4. Resources (including any standards relating to spend downs and disposition of resources): _____
- 4.1.5. Residency: _____
- 4.1.6. Disability Status (so long as any standard relating to disability status does not restrict eligibility): _____
- 4.1.7. Access to or coverage under other health coverage: _____
- 4.1.8. Duration of eligibility _____
- 4.1.9. Other standards (identify and describe):

4.2. The state assures that it has made the following findings with respect to the eligibility standards in its plan: (Section 2102)(b)(1)(B))

- 4.2.1. These standards do not discriminate on the basis of diagnosis.
- 4.2.2. Within a defined group of covered targeted low-income children, these standards do not cover children of higher income families without covering children with a lower family income.
- 4.2.3. These standards do not deny eligibility based on a child having a pre-existing medical condition.

4.3. Describe the methods of establishing eligibility and continuing enrollment. (Section 2102)(b)(2))

4.4. Describe the procedures that assure:

- 4.4.1. Through intake and followup screening, that only targeted low-income children who are ineligible for either Medicaid or other creditable coverage are furnished child health assistance under the state child health plan. (Section 2102)(b)(3)(A))

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4.4.2. That children found through the screening to be eligible for medical assistance under the state Medicaid plan under Title XIX are enrolled for such assistance under such plan. **(Section 2102)(b)(3)(B))**

4.4.3. That the insurance provided under the state child health plan does not substitute for coverage under group health plans. **(Section 2102)(b)(3)(C))**

4.4.4. The provision of child health assistance to targeted low-income children in the state who are Indians (as defined in section 4(c) of the Indian Health Care Improvement Act, 25 U.S.C. 1603(c)). **(Section 2102)(b)(3)(D))**

4.4.5. Coordination with other public and private programs providing creditable coverage for low-income children. **(Section 2102)(b)(3)(E))**

Section 5. Outreach and Coordination (Section 2102(c))

Describe the procedures used by the state to accomplish:

5.1. Outreach to families of children likely to be eligible for assistance or under other public or private health coverage to inform them of the availability of, and to assist them in enrolling their children in such a program: (Section 2102(c)(1))

The Outreach Subcommittee of the State's Title XXI Planning Committee served as the core for initiating a broad spectrum of outreach strategy recommendations. Subcommittee members will also continue to serve as a coordinating group for continued development of the design, implementation and evaluation of the approaches outlined below. Members of the group include representatives from the:

- Department of Health -- Family Health Services Division (the State's Title V agency), the Public Health Nursing Branch, and the State's Immunization Program;
- Department of Human Services, Med-QUEST Division -- Public Information Officer and program staff assigned to the State's Title XXI program;
- Catholic Charities Family Services -- a private, non-profit agency with a long history of providing a broad range of health and support services for low-income children, families, and the elderly, including mobile van services providing outreach and care to the homeless in rural areas on Oahu and Hawaii, and the
- Hawaii Primary Care Association (HPCA) - a private, non-profit organization advocating for: 1) access to quality primary care for persons with barriers to health care, and 2) the community health centers serving these individuals.

The HPCA, acting as the State's lead agency, recently submitted a grant proposal to the Robert Wood Johnson Foundation for the "Covering Kids" program -- a national health access initiative for low-income, uninsured children. If approved, this three-year initiative will facilitate state efforts to: 1) design and conduct outreach programs that identify and enroll eligible children into Medicaid and other coverage programs; 2) simplify enrollment processes; and 3) coordinate existing coverage programs for low-income children. Many Title XXI Outreach Subcommittee members were also involved in the development of the HPCA proposal and care was exercised to insure that outreach strategies were complementary.

While initiation of the State's proposed outreach strategies is not dependent upon approval of the RWJ grant, selection of Hawaii's proposal as a RWJ demonstration site will allow for:

1) The initiation of new activities, such as: a) a pilot program using telecommunication and mobile outreach vans to improve enrollment in isolated rural communities; b) a pilot program to pre-test presumptive eligibility in a specified geographic area; c) establishment of an electronic link between the State's Department of Health and Department of Human Services to eliminate the need for parents of Hawaii-born children to produce hard copy birth certificates; d) training of WIC staff from the state's 37 clinic as QUEST outreach eligibility workers; and

2) The expansion of outreach activities that the State will have initiated such as: a) the Train-the-Trainer program; b) a media campaign; c) working with community-based organizations and state agencies to assist with information dissemination; d) expansion of a public informational hotline to allow for initial screening for eligibility; and e) working on developing partnerships with schools, WIC, Head Start, and the Native Hawaiian Health Care Systems to incorporate QUEST enrollment screening into routine intake procedures for other benefits.

The sections below outline the primary avenues of the State's proposed outreach campaign aimed at informing, and assisting with enrolling children who are likely to be eligible for either Medicaid's FFS or QUEST programs or the first phase of Title XXI's Medicaid expansion. Given the State's limitations in financial and human resources, prioritization of these approaches is still under discussion.

5.1.1. Use of the existing outreach approaches outlined in Section 2.2.1.;

5.1.2 Expanding outreach efforts through coordination with the existing networks providing services to the largest group of uninsured children -- low income children ages 1 - 6.

5.1.2.1 Preschools and Child Care Centers

- Hawaii Association for the Education of Young Children (HAEYC) is the Hawaii Chapter of the national organization, with sub-chapters on each island (7). Its membership of approximately 800 includes the majority of Hawaii's pre-schools, family child centers, as well as State Department of Education teachers.
- Alu Like is a private, non-profit organization providing services to Hawaiian/Part Hawaiian families. One of their programs, *Pulama I Na Keiki* (Cherish the Children) is a parent education program for families with children (newborns to age 3), implemented by parent (peer) educators. This program, based on a home visit model, is federally funded through the Native Hawaiian Education Grant. A new "back to

work” voucher program assists low-income **Oahu** families who have children ages **3 - 5** years with finding and paying for preschool services.

- Kamehameha School Bishop Estate operates between **30 - 40** preschools in specific geographical locations throughout the state. These preschools serve up to **1,000** four year-olds of Hawaiian/Part Hawaiian ancestry who are randomly selected for admission by a lottery. While income level is not one of the admission criteria, many children receive financial assistance or tuition waivers.
- Good Beginnings Alliance is a private, non-profit agency playing a multifaceted role as an umbrella network. Its efforts are aimed at promoting quality early childhood care/services for children ages **0 - 5** in targeted areas throughout the State.
One facet of its work is funded by the Child Development Block Grant administered by the State’s Department of Human Services. These monies fund coordinators in each county who provide oversight for the development and the implementation of county-specific plans crafted by Good Beginnings Community Councils.

Good Beginnings *Keiki* (Children’s) Contacts Project, one of the Alliance’s ongoing services, has recently been awarded a \$45,000 grant from the HMSA Foundation. This service is unique in that, *Keiki* Contactors provide education about topics such as parenting skills wherever parents and their children gather - in their homes, in parks or in preschool settings. The recent HMSA grant award, in conjunction with State funds, will allow for the expansion of outreach activities to families regarding information about child health and development issues. As the Alliance initiates this program, it is enthusiastic about coordinating with the Med-QUEST Division to insure that Medicaid program eligibility and enrollment information is also provided.

- Other preschools and child care centers throughout the State through programs such as PATCH-(Parents Attentive to Children) - PATCH is an information and referral source for parents seeking pre-school or child care services. Members include PATCH child care and center-based providers as well as interested members of the community who are kept apprised through a newsletter. PATCH also sends newsletters to parents, and maintains a resource data base used to provide parents with service-related information.
- Child Care Connection, Department of Human Services - In addition to licensing preschools, child care centers, after-school programs, and infant and toddler programs throughout the State, these State offices on each island also administer a preschool/child care subsidy program for low-income families with children ages **0 - 13** years old.

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- Head Start Programs - Like programs across the nation, Hawaii's federally-funded Head Start Program provides comprehensive educational and health services (including dental services and behavioral health consultations) to low-income children throughout the State.

5.1.2.2 Collaboration with the Department of Education and Department of Health

- The Med-QUEST Division will initiate efforts to collaborate with the State's Department of Education, and the School Health Nurses and Health Aides of the Department of Health. This outreach effort will initially be aimed at providing Medicaid program information and follow-up to grade school students: 1) who are enrolled in the National School Lunch Program, and 2) whose emergency contact cards indicate that they have limited or no health coverage.

5.1.2.3 Community-based organizations will be asked to disseminate information about the program and the referral process to potentially eligible families. These organizations include, but are not limited to:

- Places of worship/churches such as, the Hawaii Ecumenical Council, and the "Faith in Action" (FACE) program. FACE is composed of 18 churches working together to identify and assist congregation members with social issues, providing home visits and care through parish nurses;
- Activity-based organizations -- For example, athletic/sports-related organizations such as: American Youth Soccer Organization (AYSO), Police Athletic League-sponsored sports (youth baseball, football, and basketball teams); scouting organizations; and *Hula Halau* (schools of hula);
- Public housing community associations, and community-based organizations providing social, educational, and recreational services to youth such as: Palama Settlement; the Suzannah Wesley Center; and the YMCA and YWCA.

5.1.2.4 Developing and/or continuing ongoing coordination with existing organizations and State agencies including, but not limited to:

- Service provider networks such as:
 - Catholic Social Services, the organization providing outreach and care to the homeless population through mobile van services;
 - AIDS Community Care Team -- a statewide consortium of organizations providing services to persons with HIV/AIDS that also administers the State's Ryan White service funds;
 - The substance abuse provider network;
- Advocacy organizations such as the Developmental Disabilities Council; the Alliance for Mental Illness; State Children's Council; *Papa Ola Lokahi* (Hawaiian health advocacy organization) as well as other organizations in the Native Hawaiian Health System; and the Homeless Coalition;

- QUEST health and dental plans;
- Healthcare provider organizations such as, the Hawaii Medical Association; the American Academy of Pediatrics - Hawaii Chapter; the Hawaii Nurses Association; the Hawaii Dental Association; the Healthcare Association of Hawaii; ER Physicians' organization; Discharge Planners Association, and the Case Management Association;
- The State's Unemployment Office; Office of Youth Services; and the Judiciary;
- The Department of Health's Dental Health Division, servicing low-income persons and/or persons with disabilities. This Division currently provides Medicaid benefits information and assistance with completion of the application for persons accessing their services, and
- Shriners Hospital, the pediatric orthopedic facility that has provided since 1923, free surgical and rehabilitative orthopedic care to more than 17,000 children from Hawaii and the Pacific Basin.

5.1.3 Coordinating with the existing network providing services to pregnant women, women of reproductive ages and their children, who have little or no ongoing linkages with existing health and social service systems.

5.3.1.1 State's Title V Agency - Family Health Services Division, Department of Health (DOH)

Specific emphasis will be placed on strengthening the partnership between the State's Medicaid and the Title V agencies. The numerous Family Health Services Division programs currently serving low-income pregnant women, women at-risk, young children at-risk or those with special needs, have been proactive about ensuring that clients, appropriate for Medicaid, are enrolled into either the fee-for-service program or QUEST. To enhance current efforts, discussions with the Family Health Services Division have resulted in a mutual commitment to intensify and expand a jointly coordinated outreach plan.

Improving: current efforts

Many agencies in the Title V network receiving Maternal/Child Health Block Grant monies are currently providing Medicaid information and/or enrollment assistance to their clients. For example:

- Mother's Care, a statewide prenatal education and awareness program includes QUEST and Medicaid Title XIX informational brochures in packets provided to pregnant moms;
- The Perinatal Support Clinics throughout the State also provide Medicaid information and, many on **Oahu**, operating out of the community health centers, have staff reimbursed by Medicaid who perform eligibility determination functions;
- Case managers with the Children with Special Health Needs Program, Zero-To-Three Program, and Healthy Start also provide benefits

counseling and application assistance.

Expanding outreach efforts within the Family Health Services Division

At a minimum, Medicaid program information will be made available on a statewide basis in the clinical and services sites of the following programs:

- WIC Services Branch - In addition to Medicaid informational brochures, if the RWJ proposal is funded, HPCA will pursue its recommendation to work with DHS, Med-QUEST Division to train WIC staff to serve **as** outstationed eligibility workers at WIC clinic sites.
- Children with Special Health Needs Branch
In addition to the Children with Special Health Needs Program and the Zero-To-Three Program where information is currently available through special services such **as** the Hawaii Keiki Information Service (H-KISS), brochures will also be placed in the Infant and Toddler Section:
 - Infant and Toddler Development Program that provides direct therapeutic services (OT, PT and Speech) for children with developmental delays; and the
 - Preschool Developmental Screening Program providing services to children ages **3 - 5**.
- Maternal and Child Health Branch, including the
 - Child Health Services Section that implements the State's Lead Screening program;
 - Early Head Start Program that provides psychosocial support services; and the
 - Family Planning Services Section
In addition to the family planning clinics operating out of the primary care clinics/community health centers, informational brochures will be placed in the offices of physicians who have been contracted with to provide family planning services.

5.1.3.2 Developing ongoing coordination with programs such as the:

- Department of Education's High School *Hapai* (Pregnancy) Coordinators, who provide supportive services to pregnant teens; and
- Kapiolani's Teen Intervention Program administered by the medical center for women and children in the state.

5.1.4. Developing and implementing "Train the Trainer" sessions aimed at training staff from both the public and private sectors who will train others involved in outreach efforts about, at a minimum, the:

- Medicaid programs' eligibility criteria and the application process;

- How to assist applicants with completing the Medicaid application;
- Documentation requirements for eligibility determination;
- Medicaid program benefits;
- The QUEST program and managed care.

5.1.5 Developing easy-to-understand instructions (at the 5th grade level and printed in English, Ilocano/Tagalog, Chinese, Samoan, Vietnamese, and Korean) to assist applicants with completing the Medicaid application form.

5.1.6 Establishing an **800** hotline, accessible on a statewide basis for enrollment information, including Medicaid program information, eligibility criteria, assistance with completing the application form, and contact number(s) for more information. The State is also intending to link up with the National Governor's Association's "Insure Kids Now" toll-free hotline services that will be connecting families nationwide to the appropriate agency/persons in their own state.

5.1.7 Developing a Medicaid program website to provide information about Medicaid programs.

5.1.8 Developing a media campaign, that will include:

- Conducting a contest to name-the-program and develop a logo;
- Seeking a celebrity spokesperson;
- Initiating press releases and feature articles for major, local and ethnic newspapers;
- Distributing public service announcements for radio and TV;
- Arranging for bus advertising cards;
- Submitting an application to the Ad Council for the "Ad2" program (The Ad Council develops a media campaign for one selected program each year).

5.1.9 Developing links with the business community and foundations to enlist their support with activities such as information dissemination and the media campaign.

5.2. Coordination of the administration of this program with other public and private health insurance programs: (Section **2102(c)(2)**)

The outreach efforts described above apply to each Medicaid program -- the fee-for-service program, QUEST, and the Title XXI Medicaid expansion. Additionally, staff stationed in the FQHC and the disproportionate share hospital on Oahu will be performing eligibility determination activities for children eligible for Title XXI as well as Medicaid's Title XIX and Section 1115 waiver programs.

Section 6. Coverage Requirements for Children’s Health Insurance (Section 2103)

Check here if the state elects to use funds provided under Title XXI only to provide expanded eligibility under the state’s Medicaid plan, and continue on to Section 7.

6.1. The state elects to provide the following forms of coverage to children:
(Check all that apply.)

- 6.1.1. Benchmark coverage; (Section 2103(a)(1))
 - 6.1.1.1. FEHBP-equivalent coverage; (Section 2103(b)(1))
(If checked, attach copy of the plan.)
 - 6.1.1.2. State employee coverage; (Section 2103(b)(2)) (If checked, identify the plan and attach a copy of the benefits description.)
 - 6.1.1.3. **HMO** with largest insured commercial enrollment (Section 2103(b)(3))
(If checked, identify the plan and attach a copy of the benefits description.) _____

6.1.2. Benchmark-equivalent coverage; (Section 2103(a)(2)) Specify the coverage, including the amount, scope and duration of each service, **as well as** any exclusions or limitations. Please attach signed actuarial report that meets the requirements specified in Section 2103(c)(4). **See instructions.**

6.1.3. Existing Comprehensive State-Based Coverage; (Section 2103(a)(3)) [Only applicable to New York; Florida; Pennsylvania] Please attach a description of the benefits package, administration, date of enactment. If “existing comprehensive state-based coverage” is modified, please provide an actuarial opinion documenting that the actuarial value of the modification is greater than the value as of 8/5/97 or one of the benchmark plans. Describe the fiscal year 1996 state expenditures for “existing comprehensive state-based coverage.”

6.1.4. Secretary-Approved Coverage. (Section 2103(a)(4))

6.2. The state elects to provide the following forms of coverage to children:
(Check all that apply. If an item is checked, describe the coverage with respect to the amount, duration and scope of services covered, as well as any exclusions or limitations) (Section 2110(a))

- 6.2.1. Inpatient services (Section 2110(a)(1))
- 6.2.2. Outpatient services (Section 2110(a)(2))
- 6.2.3. Physician services (Section 2110(a)(3))
- 6.2.4. Surgical services (Section 2110(a)(4))
- 6.2.5. Clinic services (including health center services) and other ambulatory health care services. (Section 2110(a)(5))
- 6.2.6. Prescription **drugs** (Section 2110(a)(6))
- 6.2.7. Over-the-counter medications (Section 2110(a)(7))
- 6.2.8. Laboratory and radiological services (Section 2110(a)(8))
- 6.2.9. Prenatal care and prepregnancy family services and supplies (Section 2110(a)(9))
- 6.2.10. Inpatient mental health services, other than services described in 6.2.18., but including services furnished in a state-operated mental hospital and including residential or other **24-hour** therapeutically planned structural services (Section 2110(a)(10))
- 6.2.11. Outpatient mental health services, other than services described in 6.2.19, but including services furnished in a state-operated mental hospital and including community-based services (Section 2110(a)(11))
- 6.2.12. Durable medical equipment and other medically-related or remedial devices (such as prosthetic devices, implants, eyeglasses, hearing aids, dental devices, and adaptive devices) (Section 2110(a)(12))
- 6.2.13. Disposable medical supplies (Section 2110(a)(13))
- 6.2.14. Home and community-based health care services (See instructions) (Section 2110(a)(14))
- 6.2.15. Nursing care services (See instructions) (Section 2110(a)(15))
- 6.2.16. Abortion only if necessary to save the life of the mother or if the pregnancy is the result of an act of rape or incest (Section 2110(a)(16))
- 6.2.17. Dental services (Section 2110(a)(17))
- 6.2.18. Inpatient substance abuse treatment services and residential substance abuse treatment services (Section 2110(a)(18))
- 6.2.19. Outpatient substance abuse treatment services (Section 2110(a)(19))

- 6.2.20. Case management services (Section 2110(a)(20))
- 6.2.21. Care coordination services (Section 2110(a)(21))
- 6.2.22. Physical therapy, occupational therapy, and services for individuals with speech, hearing, and language disorders (Section 2110(a)(22))
- 6.2.23. Hospice care (Section 2110(a)(23))
- 6.2.24. **Any** other medical, diagnostic, screening, preventive, restorative, remedial, therapeutic, or rehabilitative services. (See instructions) (Section 2110(a)(24))
- 6.2.25. Premiums for private health care insurance coverage (Section 2110(a)(25))
- 6.2.26. Medical transportation (Section 2110(a)(26))
- 6.2.27. Enabling services (such as transportation, translation, and outreach services (See instructions) (Section 2110(a)(27))
- 6.2.28. Any other health care services or items specified by the Secretary and not included under this section (Section 2110(a)(28))

6.3. **Waivers - Additional Purchase Options.** If the state wishes to provide services under the plan through cost effective alternatives or the purchase of family coverage, it must request the appropriate waiver. Review and approval of the waiver application(s) will be distinct from the state plan approval process. To be approved, the state must address the following: (Section 2105(c)(2) and(3))

6.3.1. **Cost Effective Alternatives.** Payment may be made to a state in excess of the 10% limitation on use of funds for payments for: 1) other child health assistance for targeted low-income children; 2) expenditures for health services initiatives under the plan for improving the health of children (including targeted low-income children and other low-income children); 3) expenditures for outreach activities as provided in section 2102(c)(1) under the plan; and 4) other reasonable costs incurred by the state to administer the plan, if it demonstrates the following:

6.3.1.1. Coverage provided to targeted low-income children through such expenditures must meet the coverage requirements above; **Describe the coverage provided by the alternative delivery system. The state may cross reference section 6.2.1 - 6.2.28.** (Section 2105(c)(2)(B)(i))

6.3.1.2. The cost of such coverage must not be greater, on an average per child basis, than the cost of coverage that would otherwise be provided for the coverage described above; and **Describe the cost of such coverage on an average per child basis.** (Section 2105(c)(2)(B)(ii))

6.3.1.3. The coverage must be provided through the use of a community-based health delivery system, such as through contracts with health centers receiving funds under section 330 of the Public Health Service Act or with hospitals such as those that receive disproportionate share payment adjustments under section 1886(d)(5)(F) or 1923 of the Social Security Act. **Describe the community based delivery system.** (Section 2105(c)(2)(B)(iii))

6.3.2. **Purchase of Family Coverage.** Describe the plan to provide family coverage. Payment may be made to a state for the purpose of family coverage under a group health plan or health insurance coverage that includes coverage of targeted low-income children, if it demonstrates the following: (Section 2105(c)(3))

6.3.2.1. Purchase of family coverage is cost-effective relative to the amounts that the state would have paid to obtain Comparable coverage only of the targeted low-income children involved; and **(Describe the associated costs for purchasing the family coverage relative to the coverage for the low income children.)** (Section 2105(c)(3)(A))

6.3.2.2. The state assures that the family coverage would not otherwise substitute for health insurance coverage that would be provided to such children but for the purchase of family coverage. (Section 2105(c)(3)(B))

Section 7. Quality and Appropriateness of Care

Check here if the state elects to use funds provided under Title XXI only to provide expanded eligibility under the state's Medicaid plan, and continue on to Section 8.

7.1. Describe the methods (including external and internal monitoring) used to assure the quality and appropriateness of care, particularly with respect to well-baby care, well-child care, and immunizations provided under the plan. **(2102(a)(7)(A))**

Will the state utilize any of the following tools to assure quality?
(Check all that apply and describe the activities for any categories utilized.)

- 7.1.1. Quality standards
- 7.1.2. Performance measurement
- 7.1.3. Information strategies
- 7.1.4. Quality improvement strategies

7.2. Describe the methods used, including monitoring, to assure access to covered services, including emergency services. **(2102(a)(7)(B))**

Section 8. Cost Sharing and Payment (Section 2103(e))

Check here if the state elects to use funds provided under Title XXI only to provide expanded eligibility under the state’s Medicaid plan, and continue on to Section 9.

8.1. Is cost-sharing imposed on any of the children covered under the plan?

8.1.1. **YES**

8.1.2. **NO, skip to question 8.5.**

8.2. Describe the amount of cost-sharing and any sliding scale based on income: (Section 2103(e)(1)(A))

8.2.1. Premiums: _____

8.2.2. Deductibles: _____

8.2.3. Coinsurance: _____

8.2.4. Other: _____

8.3. Describe how the public will be notified of this cost-sharing and any differences based on income: _____

8.4. The state assures that it has made the following findings with respect to the cost sharing and payment aspects of its plan: (Section 2103(e))

8.4.1. Cost-sharing does not favor children from higher income families over lower income families. (Section 2103(e)(1)(B))

8.4.2. No cost-sharing applies to well-baby and well-child care, including age-appropriate immunizations. (Section 2103(e)(2))

8.4.3. No child in a family with income less than 150% of the Federal Poverty Level will incur cost-sharing that is not permitted under 1916(b)(1).

8.4.4. No Federal funds will be used toward state matching requirements. (Section 2105(c)(4))

8.4.5. No premiums or cost-sharing will be used toward state matching requirements. (Section 2105(c)(5))

8.4.6. No funds under this title will be used for coverage if a private insurer would have been obligated to provide such assistance except for a provision limiting this obligation because the child is eligible under the this title. (Section 2105(c)(6)(A))

8.4.7. Income and resource standards and methodologies for determining Medicaid eligibility are not more restrictive than those applied as of June 1, 1997. (Section 2105(d)(1))

- 8.4.8. No funds provided under this title or coverage funded by this title will include coverage of abortion except if necessary to save the life of the mother or if the pregnancy is the result of an act of rape or incest. (Section 2105)(c)(7)(B))
- 8.4.9. No funds provided under this title will be used to pay for any abortion or to assist in the purchase, in whole or in part, for coverage that includes abortion (except as described above). (Section 2105)(c)(7)(A))
- 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 annual income for the year involved: (Section 2103(e)(3)(B)) _____
- 8.6. The state assures that, with respect to pre-existing medical conditions, one of the following two statements applies to its plan:
 - 8.6.1. The state shall not permit the imposition of any pre-existing medical condition exclusion for covered services (Section 2102(b)(1)(B)(ii)); OR
 - 8.6.2. The state contracts with a group health plan or group health insurance coverage, or contracts with a group health plan to provide family coverage under a waiver (see Section 6.3.2. of the template). Pre-existing medical conditions are permitted to the extent allowed by HIPAA/ERISA (Section 2109(a)(1),(2)). Please describe:

Section 9. Strategic Objectives and Performance Goals for the Plan Administration (Section 2107)

- 9.1.** Describe strategic objectives for increasing the extent of creditable health coverage among targeted low-income children and other low-income children: (Section **2107(a)(2)**)

Please refer to matrix.

- 9.2.** Specify one or more performance goals for each strategic objective identified: (Section **2107(a)(3)**)

Please refer to matrix.

- 9.3.** Describe how performance under the plan will be measured through objective, independently verifiable means and compared against performance goals in order to determine the state's performance, taking into account suggested performance indicators **as** specified below or other indicators the state develops: (Section **2107(a)(4)(A),(B)**)

Please refer to matrix.

STRATEGIC OBJECTIVE	PERFORMANCE GOALS	PERFORMANCE MEASURES
<p>1. Improve and expand outreach strategies to families of children likely to be eligible for assistance, to inform them of the availability of and assist them with enrolling their children in the appropriate Medicaid program.</p>	<p>1.1. Increase informational and outreach activities about Medicaid programs, including Title XXI Medicaid expansion.</p>	<p>1.1.1. Train the Trainer Workshops will be conducted for public and private sector agencies/organizations and advocacy groups that address the needs or serve the targeted group of children.</p> <p>Baseline: 0 Target: At least 7 (1 per island -- Kauai, Oahu, Molokai, Lanai, Maui, Hawaii)</p> <p>Data Source: Public Information Officer Report</p> <p>1.1.2. The following new outreach strategies will be implemented:</p> <ul style="list-style-type: none"> • A web site will be developed. • An "800" informational hotline will be initiated. • New brochures will be developed. • Easy-to-understand Medicaid application instructions will be developed and will be printed, at a minimum, in 6 languages (English, Ilocano/Tagalog, Chinese, Samoan, Vietnamese, Korean) • A minimum of 12 community informational sessions be will conducted. • A minimum of 20 new agencies will be contacted and a minimum of 15 of these agencies will commit to assist with Medicaid program outreach activities. (Activities may include dissemination of Medicaid brochures, referral to Medicaid for eligibility determination and assisting the applicant with the process). <p>Data Source: Public Information Officer Report</p>

STRATEGIC OBJECTIVE	PERFORMANCE GOALS	PERFORMANCE MEASURES
<p>2. Reduce the number and proportion of low-income children who are uninsured.</p>	<p>2.1. Low-income children will be enrolled into the appropriate Medicaid program (QUEST or Medicaid fee-for-service or Title XXI Medicaid expansion).</p>	<p>2.2.1. There will be a decrease in the percentage of uninsured low-income children. (Children with family income level up to 185% FPL).</p> <p>Baseline: Approximately 78% of all uninsured (SFY 97) children are in families with incomes up to 185% FPL. (78% of 31,250 = 24,400)</p> <p>Target: Decrease the %age of uninsured low-income children with family income up to 185% FPL from 78% to 70% (A decrease of approximately 2,500 children)</p> <p>Data Source: Hawaii Health Survey, Dept. of Health</p> <p>2.1.2. There will be an increase in the number of Medicaid program eligibility applications received for children potentially eligible for QUEST or the Medicaid FFS program.</p> <p>Baseline: 150/month (Year 1) Target: 250/month (Year 2)</p> <p>Data Source: Dept of Human Services Eligibility Information System</p>

2.1.3. There will be an increased percentage of currently uninsured Medicaid-eligible children between ages 0 < 19 who will be enrolled into the appropriate Medicaid program.

Baseline: 0% (SFY 97)
(There are approximately 16,800 uninsured children ages 0 < 19 who are projected to be Medicaid eligible but not enrolled).

Target: There will be a 13% increase in (Year 1) the number of Medicaid-eligible children ages 0 < 19 who become enrolled into the appropriate Medicaid program. (Enrollment of approximately 2,100 children)

Data Source: Dept. of Human Services Eligibility Information System

2.1.4. There will be an increase in the percentage of children ages 1 - 6 with family income between 134% - 185% FPL who will receive health coverage by enrolling in the Title XXI Medicaid expansion program.

Baseline: 0 (SFY 97)
Target: 50% will be enrolled (Year 1)
(50% of 880 = 440)

Data Source: Hawaii Health Survey, Dept. of Health, and the Department of Human Services Eligibility Information System

STRATEGIC OBJECTIVE	PERFORMANCE GOALS	PERFORMANCE MEASURES
<p>3. Improve Access to Health Care for Targeted Low-Income Children.</p>	<p>3.1. Families of targeted low-income children will express satisfaction with accessibility to health care services.</p> <p>3.2. Targeted low-income children will have an accessible medical home.</p>	<p>3.1.1. Families of targeted low-income children will express similar levels of satisfaction with the accessibility of health care services as QUEST age-comparable group in the following areas:</p> <ul style="list-style-type: none"> a. Access to medical checkups and minor problems. Baseline: 88% of members sampled (SFY 97) Target: 88% of Title XXI children (Year 2) b. Access to emergency services. Baseline: 80% of members sampled (SFY 97) Target: 80% of Title XXI children (Year 2) c. Access to specialist care. Baseline: 75% of members sampled (SFY 97) Target: 75% of Title XXI children (Year 2) <p>Data Source: QUEST Member Satisfaction Survey; Complaints and Grievance Logs.</p> <p>3.2.1. The rate of utilization of primary care providers by targeted low-income children will be the same as the comparable age group in QUEST.</p> <p>Baseline: 12 – 24 mths = 94.14% (SFY 97) 25 mths – 6 yrs = 87.18% Target: 12 – 24 mths = 94.18% (Year 2) 25 mths – 6 yrs = 87.18%</p> <p>Data Source: HEDIS 3.0 reports - QUEST Health Plans</p>

STRATEGIC OBJECTIVE	PERFORMANCE GOALS	PERFORMANCE MEASURES
<p>4. Improve continuity and quality of care for targeted low-income children.</p>	<p>4.1. Children in the targeted low-income group will receive all recommended immunizations by age 2 and age 5.</p> <p>4.2. Children in the targeted low-income group will receive the expected number of screening services based on the EPSDT periodicity screening guidelines.</p> <p>4.3. Children in the targeted low-income group will be provided the recommended number of well-child visits.</p>	<p>4.1.1. Childhood immunization rates for children enrolled in the Title XXI Medicaid expansion will be the same as the comparable age group enrolled in QUEST. Baseline: 77.35% (SFY 97) Target: 85% - 90% (Year 2)</p> <p>Data Source: HEDIS 3.0 Data reported by QUEST Health Plans.</p> <p>4.2.1. The EPSDT screening ratio for children enrolled in the Title XXI Medicaid expansion will be the same as the age-comparable group enrolled in QUEST. Baseline: .87 (SFY 97) Target: .87 (Year 2)</p> <p>Data Source: Form HCFA-416: Annual EPSDT Participation Report</p> <p>4.3.1. Children in the Title XXI target group will have the same ratio of well-child visits in a) the first 15 months of life; and b) 4th, 5th, and 6th years of life, as age-comparable children enrolled in QUEST. Baseline: First 15 months = 80% with 5 or more visits; 4, 5, and 6 year olds = 53.52% with at least one visit. Target: First 15 months = 80% with 5 or more visits; (Year 2) 4, 5, and 6 year olds = 80% with at least one visit.</p> <p>Data Source: HEDIS 3.0 Data - QUEST Health Plans</p>

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9.3. (Continued)

Check the applicable suggested performance measurements listed below that the state plans to use: (Section 2107(a)(4))

- 9.3.1. The increase in the percentage of Medicaid-eligible children enrolled in Medicaid.
- 9.3.2. The reduction in the percentage of uninsured children.
- 9.3.3. The increase in the percentage of children with a usual source of care.
- 9.3.4. The extent to which outcome measures show progress on one or more of the health problems identified by the state.
- 9.3.5. HEDIS Measurement Set relevant to children and adolescents younger than 19.
- 9.3.6. Other child appropriate measurement set. List or describe the set used.
- 9.3.7. If not utilizing the entire HEDIS Measurement Set, specify which measures will be collected, such as:
 - 9.3.7.1. Immunizations
 - 9.3.7.2. Well child care
 - 9.3.7.3. Adolescent well visits
 - 9.3.7.4. Satisfaction with care
 - 9.3.7.5. Mental health
 - 9.3.7.6. Dentalcare
 - 9.3.7.7. Other, please list:
 - Utilization of Primary Care Providers
 - Appointment Wait Times
 - EPSDT Periodicity Screens
- 9.3.8. Performance measures for special targeted populations.

9.4. **The state assures it will collect all data, maintain records and furnish reports to the Secretary at the times and in the standardized format that the Secretary requires.** (Section 2107(b)(1))

9.5. **The state assures it will comply with the annual assessment and evaluation required under Section 10.1. and 10.2. (See Section 10) Briefly describe the state’s plan for these annual assessments and reports.** (Section 2107(b)(2))

The State’s Annual Reports on the progress made in reducing the number of uncovered low-income children will be primarily based on the findings and analysis of the annual Hawaii Health Survey conducted in the last two years by the State’s Department of Health. This annual survey, being refined with use, has focused on gathering data about the health coverage status of Hawaii’s children by income, age, and employment status of the child’s family. The State intends to continue using this data to: 1) calculate the baseline number of uncovered low-income children; and 2) analyze the extent of progress made, in the context of the factors affecting the provision of

accessible, affordable, quality health insurance and health care for children in Hawaii.

The State's Evaluation of the effectiveness of the state plan will address the elements outlined in Section **10.2**. The information and other sources to be used in the analysis of the plan's effectiveness in meeting performance measures will include:

1. The following information systems:*

 - the HAWI system that tracks Medicaid ABD and QUEST program eligibility, enrollment, disenrollment activity and demographics;
 - the Medicaid Management Information System (MMIS) for service utilization and expenditure data as well as demographic information of Medicaid's fee-for-service program; and
 - the QUEST Interim Encounter Data System for encounter data, including sub-systems for member eligibility and the QUEST provider registry.

* The Med-QUEST Division is in the process of reassessing its Information Technology strategy and functional needs. To facilitate this process, the Division released a Request for Information (RFI) in December **1997**. **19** RFI's were received. The results of this RFI process are being used to assist the Division with development of a procurement strategy for the Hawaii Medicaid Management Information System (HIMMIS) that is anticipated to have the capacity to provide:

- Fiscal Agent services;
- Certified/Certifiable MMIS;
- Health Plan Enrollment/Disenrollment information;
- Encounter Data Processing;
- Data Warehouse capacity;
- Predefined Reports;
- Decision Support/Executive Information System;
- Capitation Payment activities; and
- Premium Share Billing and Collection

* **An** option that is also currently being explored is the possibility of using some components of Arizona's Information System. Discussions have been initiated about areas such as eligibility, enrollment, encounter data and provider files, and a feasibility study is now being conducted to assess the potential compatibility of Arizona's system in meeting Hawaii's informational system needs.

2. Quality improvement/quality control mechanisms currently in place to monitor and assure quality and appropriateness of health, dental, and behavioral health services will also be used. As an expansion of Medicaid, the provision of services to the Title XXI targeted groups will be fully integrated in all current mechanisms including, but not limited to:

- The requirement for QUEST plans to develop and operationalize an internal Quality Assurance Program (QAP) meeting stipulated standards;
- Compliance with QAP reporting requirements, including quality of care studies, QAP evaluation reviews, and reports on complaints and grievances from members and providers, with additional information about the number of adverse actions/decisions made, the number of appeals and the outcomes of the appeals;
- Submittal of **HEDIS** reports addressing the health plans' performance in the areas of membership, utilization, quality of care, and access to care;
- Submittal of encounter data;
- External monitoring by an External Quality Review Organization (EQRO) responsible for conducting an independent medical review or audit of the quality of services provided by the health plans;
- Case study interviews; and
- Surveys of members and providers conducted by the Med-QUEST Division to: 1) determine overall satisfaction with QUEST, QUEST-Net and the health plan; 2) the quality of care received; and 3) the overall health status of members.

3. The Health Coverage Management Branch of the Med-QUEST Division will be responsible for monitoring progress and preparing the annual assessment and the evaluations, and will also ensure that input is received from the State Title XXI Planning Committee.

9.6. **The state assures it will provide the Secretary with access to any records or information relating to the plan for purposes of review of audit. (Section 2107(b)(3))**

9.7. **The state assures that, in developing performance measures, it will modify those measures to meet national requirements when such requirements are developed.**

9.8. The state assures, to the extent they apply, that the following provisions of the Social Security Act will apply under Title XXI, to the same extent they apply to a state under Title XIX: (Section 2107(e))

- 9.8.1. Section 1902(a)(4)(C) (relating to conflict of interest standards)
- 9.8.2. Paragraphs (2), (16) and (17) of Section 1903(i) (relating to limitations on payment)
- 9.8.3. Section 1903(w) (relating to limitations on provider donations and taxes)
- 9.8.4. Section 1115 (relating to waiver authority)
- 9.8.5. Section 1116 (relating to administrative and judicial review), but only insofar as consistent with Title XXI
- 9.8.6. Section 1124 (relating to disclosure of ownership and related information)
- 9.8.7. Section 1126 (relating to disclosure of information about certain convicted individuals)
- 9.8.8. Section 1128A (relating to civil monetary penalties)
- 9.8.9. Section 1128B(d) (relating to criminal penalties for certain additional charges)
- 9.8.10. Section 1132 (relating to periods within which claims must be filed)

9.9. Describe the process used by the state to accomplish involvement of the public in the design and implementation of the plan and the method for insuring ongoing public involvement. (Section 2107(c))

In fall 1997, the State initiated efforts for public involvement through an informational meeting at which the Director of the Department of Human Services and the Administrator of the Med-QUEST Division presented information about Title XXI and highlighted its potential opportunities. The invitation they extended to all interested parties to participate in the Title XXI planning process was enthusiastically received by consumer/advocacy organizations, legislators, public sector and community-based service providers, and professional health organizations.

While there was an initial concern that Hawaii might be precluded from participating because of the maintenance of effort provision, the Department of Human Services in conjunction with the Department of Health decided to proceed with the Title XXI planning process to ensure that the State would meet the June 20, 1998 deadline for submittal of the State's plan. The State subsequently received HCFA's provisional approval to access Hawaii's Title XXI allotment.

Between January and April 1998, four (4) State Title XXI Planning Committee meetings were held to review, discuss, revise, and accept or reject proposals generated by the Eligibility, Benefits, and Outreach sub-committees established by the statewide Planning Committee. All final recommendations from the

Committee were carefully considered by the Med-QUEST Division in development of this proposed state plan. During the implementation phase of the Title XXI Medicaid expansion, the State will continue to request the Committee's input.

The State Title XXI Planning Committee reflects broad-based statewide participation, and includes representation from the following :

- Consumer/advocacy groups
 - Consumers
 - AIDS Community Care Team
 - Developmental Disabilities Council
 - Easter Seals Society of Hawaii
 - Hawaii Advocates for Children and Youth
 - Legal Aid Society of Hawaii
 - State Children's Council

- Community-Based/Private Sector Organizations
 - Catholic Charities Family Services
 - Family Support Services
 - Head Start
 - Kapiolani Teen Intervention Program
 - Kokua Kalihi Valley Social Services
 - Palama Settlement
 - Papa Ola Lokahi
 - Parents and Children Together (PACT)
 - Queen Liliuokalani Children's Center

- Health Care Provider Organizations
 - American Academy of Pediatrics, Hawaii Chapter
 - Hawaii Dental Association
 - Hawaii Medical Association
 - Hawaii Nurses Association
 - Hawaii Primary Care Association
 - Healthcare Association of Hawaii

- Executive Office - Senior Policy Advisor to the Governor For Children and Families

- Legislative Representatives
 - House Committee on Health
 - House Committee on Human Services and Housing
 - Senate Committee on Health and Environment
 - Senate Committee on Human Resources

- QUEST Health Plans
 - Aloha Care
 - DentiCare, Inc.
 - HMSA, including HMSA's Community Relations Office
 - Kaiser Permanente
 - Kapiolani HealthHawaii
 - Queen's Health Plan
 - StraubCare Quantum.

- Public Sector Agencies
 - Department of Education - Kahuku High School
 - Department of Health
 - ◆ Administrative Representation by the Deputy Director of DOH
 - ◆ Child and Adolescent Mental Health Division
 - ◆ Dental Health Division
 - ◆ Family Health Services Division (State's Title V Agency)
 - ⇒ Administrative and Program Development Staff
 - ⇒ Children with Special Needs Branch
 - ⇒ Family Planning Services Section
 - ⇒ Healthy Start
 - ⇒ Zero-To-Three Project
 - ⇒ Immunization Program
 - Department of Human Services
 - ◆ Med-QUEST Division
 - ⇒ Health Coverage and Management Branch
 - ⇒ Policy and Program Development
 - ◆ Social Service Division
 - ⇒ Administrative Staff
 - ⇒ Child Welfare Services

9.10. Provide a budget for this program. Include details on the planned use of funds and sources of the non-Federal share of plan expenditures. (Section 2107(d))

HAWAII'S PROPOSED BUDGET FOR THE FIRST PHASE OF TITLE XXI

The following Tables present the State's proposed budgets for the first phase of the Title XXI Medicaid expansion. These budget proposals for Year 1 and Year 2 reflect the State's plan to enroll one-half of the projected number of Title XXI-eligible children ages 1 - 6 in each year. (Please note that Year 3's proposed budget will be included in a subsequent amendment requesting approval of the State's proposed Second Phase expansion of Title XXI).

YEAR 1

PROJECTED SERVICE BUDGET						
TITLE XXI ELIGIBLE CHILDREN	PROJECTED NUMBER	AVE. COST/MO	ANNUAL COST/CHILD	TOTAL	STATE SHARE	FEDERAL SHARE
Children To Be Enrolled in QUEST	425 ¹	\$ 91 ²	\$ 1,092	\$ 464,100 ³	\$162,435 ⁴	\$301,665 ⁵
Children with Disabilities to be Enrolled in Medicaid FFS Program	15 ⁶	\$2, 020 ⁷	\$24,240	\$363,600 ⁸	\$127,260	236,340
SUB-TOTAL	440 ⁹			\$ 827,700	\$289,695	\$538,005

¹ Source: State Department of Human Services' Eligibility Information System. This projection was calculated by: a) Subtracting the number of children ages 1 - 6 with family incomes 134% - 185% FPL who were enrolled in the QUEST-Net program as of March 1997 (490 children), from the number of children ages 1 - 6 who were enrolled in the QUEST Program in January 1996, just prior to changes in QUEST's income criteria from 300% FPL to 100% FPL (1370 children). [1370 - 490 = 880] ; then, b) Subtracting the projected number of children with disabilities from 880 (Assume 3% of the population are persons with disabilities. 3% of 880 = 30 children) [880 - 30 = 850 children]; finally, c) Enrolling 50% of total in each year (Year 1 and Year 2). [50% of 850 = 425].

² Based on applying a risk adjustment factor of 0.6 for children ages 1 < 6 in QUEST to the current QUEST PMPM. [0.6 x \$152 PMPM = \$91 PMPM]

³ Annual cost per child x Projected number of children to be enrolled. [\$1,092 x 425 = \$464,1001]

⁴ State Share @ 35% of total service cost. SOURCE OF FUNDS: State Legislative Appropriation for Medicaid Programs.

⁵ Federal Share @ 65% of total service cost.

⁶ Projected number of children with disabilities who will be enrolled in Title XXI Medicaid expansion is calculated based on: a) the assumption that 3% of the population are persons with disabilities and b) Enrolling 50% of total in each year (Year 1 and Year 2). [3% x 880 = 30 x 50% = 15]

⁷ Based on data from FY97 Medicaid Management Information System (MMIS). Average cost per month for children with disabilities ages 1 - 6 is \$2,020/month.

⁸ Annual cost/child w/ disabilities x Projected no. of children w/ disabilities to be enrolled [\$2020x15 = \$363,6001]

⁹ Total number of Title XXI-eligible children projected to be enrolled in each year -- Year 1 and Year 2.

The projected service budget for Year 2 is the same as Year 1.

YEAR 2

PROJECTED SERVICE BUDGET						
TITLE XXI ELIGIBLE CHILDREN	PROJECTED NUMBER	AVE. COST/MO	ANNUAL COST/CHILD	TOTAL	STATE SHARE	FEDERAL SHARE
Children To Be Enrolled in QUEST	425 ¹	\$ 91 ²	\$ 1,092	\$ 464,100 ³	\$162,435 ⁴	\$301,665 ⁵
Children with Disabilities to be Enrolled in Medicaid FFS Program	15 ⁶	\$2, 020 ⁷	\$24,240	\$363,600 ⁸	\$127,260	236,340
SUB-TOTAL	440 ⁹			\$ 827,700	\$289,695	\$538,005

- ¹ Source: State Department of Human Services' Eligibility Information System. This projection was calculated by: a) Subtracting the number of children ages 1 - 6 with family incomes 134% - 185% **FPL** who were enrolled in the QUEST-Net program as of March 1997 (490 children), from the number of children ages 1 - 6 who were enrolled in the QUEST Program in January 1996, just prior to changes in QUEST's income criteria from 300% FPL to 100% **FPL** (1370 children). [1370 - 490 = 8801 ; then, b) Subtracting the projected number of children with disabilities from 880 (Assume 3% of the population are persons with disabilities. 3% of 880 = 30 children) [880 - 30 = 850 children]; finally, c) Enrolling **50%** of total in each year (Year 1 and Year 2). [50% of 850 = 4251.
- ² Based on applying a risk adjustment factor of 0.6 for children ages 1 < 6 in QUEST to the current QUEST PMPM. [0.6 x \$152 PMPM = \$91 PMPM]
- ³ Annual cost per child x Projected number of children to be enrolled. [\$1,092 x 425 = \$464,1001
- ⁴ State Share @ 35% of total service cost. **SOURCE OF FUNDS** : State Legislative Appropriation for Medicaid Programs.
- ⁵ Federal Share @ 65% of total service cost.
- ⁶ Projected number of children with disabilities who will be enrolled in Title XXI Medicaid expansion is calculated based on: a) the assumption that 3% of the population are persons with disabilities and b) Enrolling 50% of total in each year (Year 1 and Year 2). [3% x 880 = 30 x 50% = 15]
- ⁷ Based on data from FY97 Medicaid Management Information System (MMIS). Average cost per month for children with disabilities ages 1 - 6 is \$2,020/month.
- ⁸ Annual cost per child with disabilities x Projected number of children with disabilities to be enrolled. [\$2020 x 15 = \$363,6001
- ⁹ Total number of Title XXI-eligible children projected to be enrolled in each year -- Year 1 and Year 2.

TOTAL SERVICE BUDGET YEARS 1 & 2

YEAR	NUMBER OF CHILDREN/YR	TOTAL COST/YR	STATE SHARE	FEDERAL SHARE
YR 1	440	\$ 827,700	\$289,695	\$538,005
YR 2	440	\$ 827,700	\$289,695	\$538,005
TOTAL YR 1 & YR 2	880	\$1,655,400	\$ 597,390	\$1,076,010

**PROJECTED ADMINISTRATIVE BUDGET
YEARS 1 & 2**

YEAR	COST	STATE SHARE	FEDERAL SHARE
SUB-TOTAL YR 1	\$99,324 ¹⁰	\$34,763	\$64,561
SUB-TOTAL YR 2	\$66,216 ¹¹	\$23,176	\$43,040
TOTAL YRS 1 & 2	\$165,540	\$ 57,939	\$107,601

¹⁰ Administrative Budget Projection for Year 1 = 60% of total allowable monies. Total service budget is projected to be \$1,655,400. [$10\% \times \$1,655,400 = \$165,540 \times 60\% = \$99,324$]

¹¹ Administrative Budget Projection for Year 2 = 40% of total allowable monies. [$\$165,540 \times 40\% = \$66,216$]

**TOTAL - SERVICE AND ADMINISTRATIVE BUDGETS
YEAR 1 & YEAR 2**

YEAR	PROJECTED SERVICE BUDGET	PROJECTED ADMINISTRATIVE BUDGET	TOTAL COST PER YEAR	STATE SHARE	FEDERAL SHARE
YR 1	\$827,700	\$99,324	\$927,024	\$324,458	\$602,566
YR 2	\$827,700	\$66,216	\$893,916	\$312,871	\$581,045
GRAND TOTAL YRS 1 & 2	\$1,655,400	\$165,540	\$1,820,940	\$637,329	\$1,183,611

Section 10. Annual Reports and Evaluations (Section 2108)

10.1. Annual Reports. The state assures that it will assess the operation of the state plan under this Title in each fiscal year, including: **(Section 2108(a)(1),(2))**

10.1.1. The progress made in reducing the number of uncovered low-income children and report to the Secretary by January 1 following the end of the fiscal year on the result of the assessment, and

10.1.2. Report to the Secretary, January 1 following the end of the fiscal year, on the result of the assessment.

Hawaii Title XXI State Plan Proposal

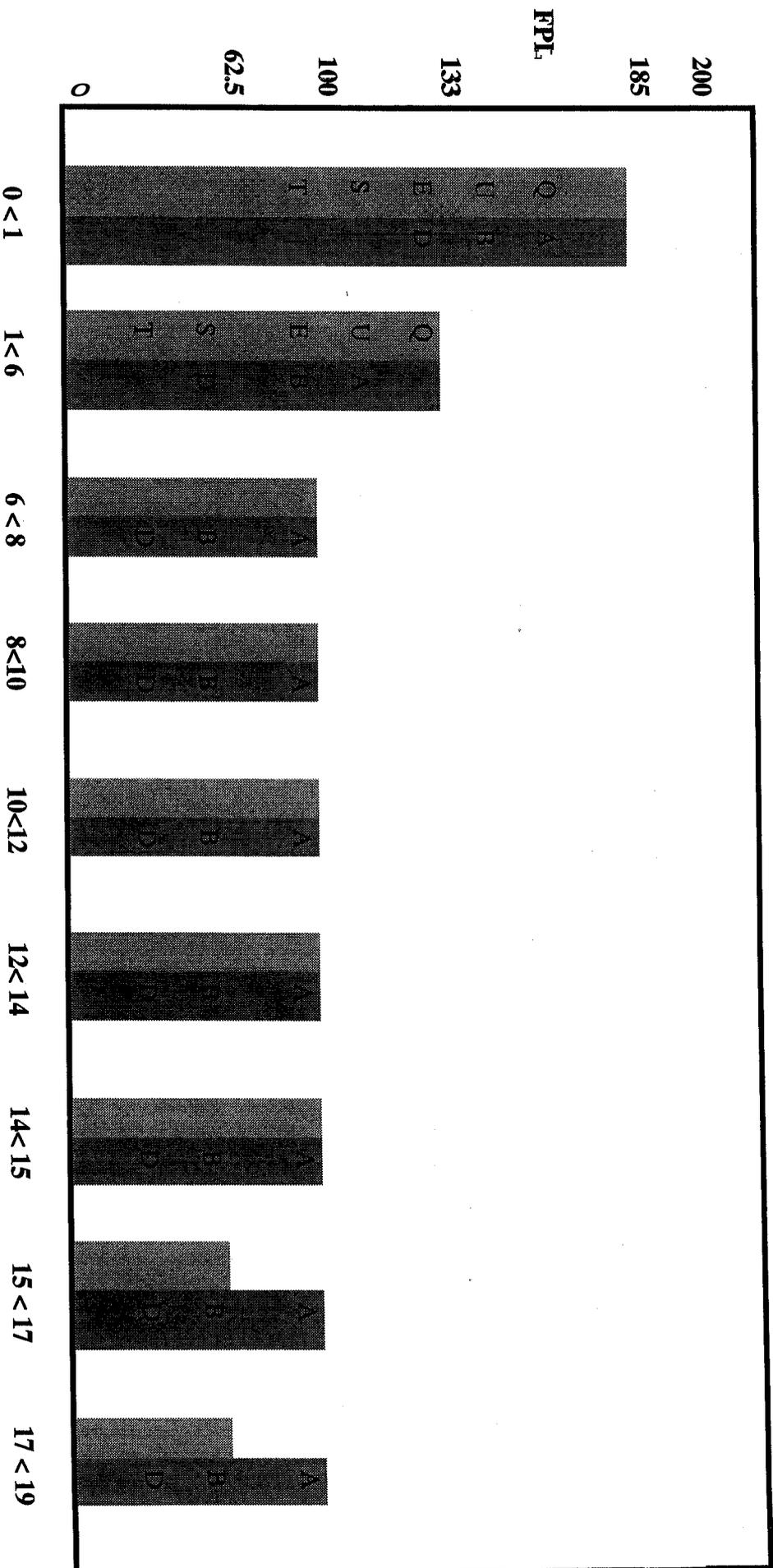
Below is a chart listing the types of information that the state's annual report might include. Submission of such information will allow comparisons to be made between states and on a nationwide basis.

Attributes of Population	Number of Children with Creditable Coverage	Number of Children without Creditable Coverage	TOTAL
	XIX OTHER CHIP		
Income Level:			
< 100%			
≤ 133%			
≤ 200%			
≥ 200%			
Age			
0 - 1			
1 - 5			
13 - 18			
<u>Race and Ethnicity</u>			
American Indian or Alaskan Native			
Asian or Pacific Islander			
Black, not of Hispanic origin			
Hispanic			
White, not of Hispanic origin			
Location			
MSA			
Non-MSA			

- 10.2 State Evaluations. The state assures that by March 31, 2000 it will submit to the Secretary an evaluation of each of the items described and listed below:
(Section 2108(b)(A)-(H))
- 10.2.1. An assessment of the effectiveness of the state plan in increasing the number of children with creditable health coverage.
- 10.2.2. A description and analysis of the effectiveness of elements of the state plan, including:
- 10.2.2.1. The characteristics of the children and families assisted under the state plan including age of the children, family income, and the assisted child's access to or coverage by other health insurance prior to the state plan and after eligibility for the state plan ends;
- 10.2.2.2. The quality of health coverage provided including the types of benefits provided;
- 10.2.2.3. The amount and level (including payment of part or all of any premium) of assistance provided by the state;
- 10.2.2.4. The service area of the state plan;
- 10.2.2.5. The time limits for coverage of a child under the state plan;
- 10.2.2.6. The state's choice of health benefits coverage and other methods used for providing child health assistance, and
- 10.2.2.7. The sources of non-Federal funding used in the state plan.
- 10.2.3. **An** assessment of the effectiveness of other public and private programs in the state in increasing the availability of affordable quality individual and family health insurance for children.
- 10.2.4. A review and assessment of state activities to coordinate the plan under this Title with other public and private programs providing health care and health care financing, including Medicaid and maternal and child health services.
- 10.2.5. **An** analysis of changes and trends in the state that affect the provision of accessible, affordable, quality health insurance and health care to children.
- 10.2.6. A description of any plans the state has for improving the availability of health insurance and health care for children.
- 10.2.7. Recommendations for improving the program under this Title.
- 10.2.8. Any other matters the state and the Secretary consider appropriate.

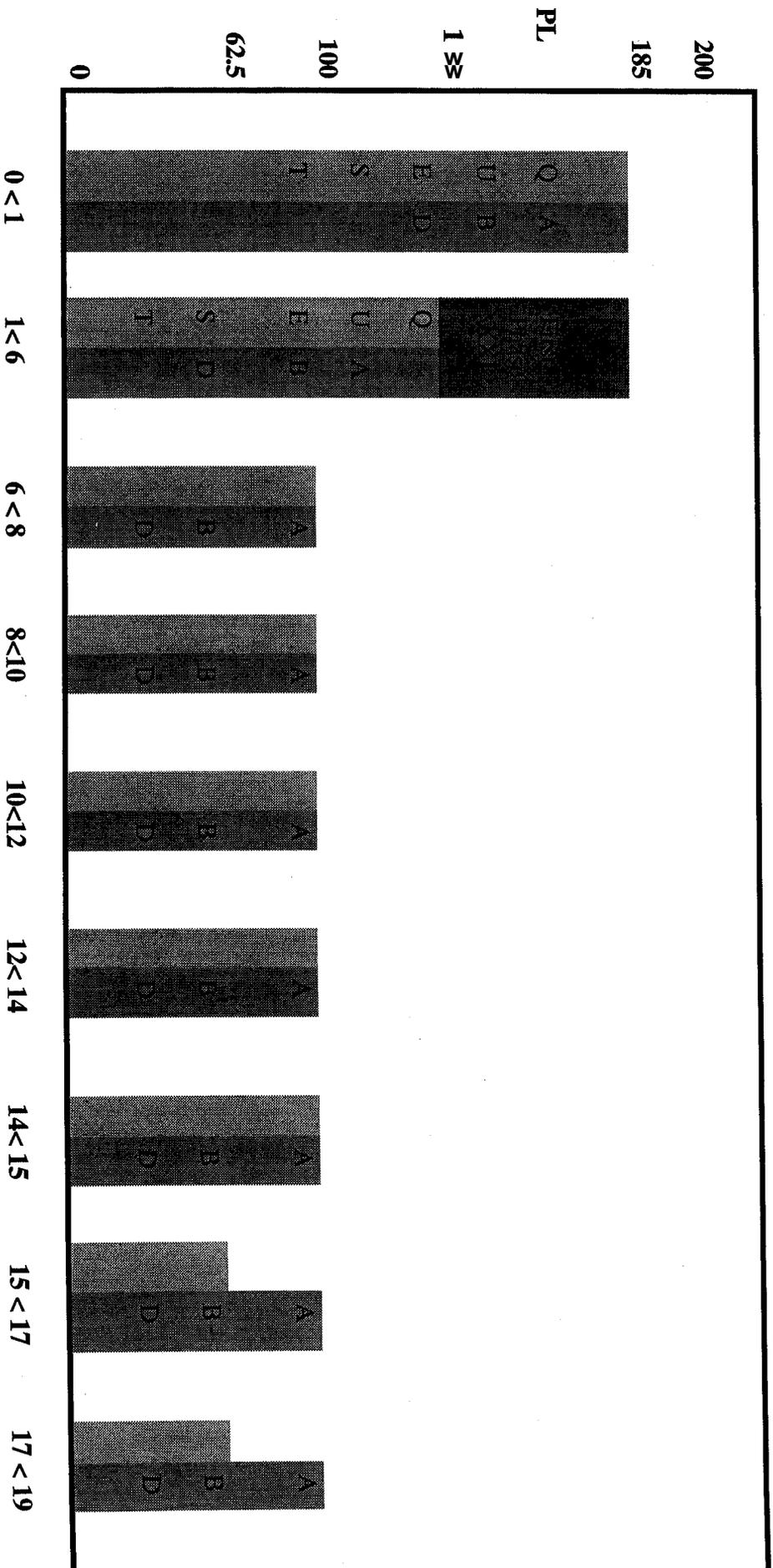
- 10.3. The state assures it will comply with future reporting requirements as they are developed.
- 10.4. The state assures that it will comply with all applicable Federal laws and regulations, including but not limited to Federal grant requirements and Federal reporting requirements.

CURRENT ELIGIBILITY CRITERIA FOR CHILDREN < 19 YEARS OLD ATTACHMENT A
QUEST AND MEDICAID FFS PROGRAMS



<u>0 < 1 YRS:</u>	QUEST - 185% FPL ABD - 185%FPL	<u>6 < 19 YRS, BORN AFTER 9/30/83:</u>	QUEST - 100% FPL ABD - 100% FPL
<u>1 < 6 YRS:</u>	QUEST - 133% FPL ABD - 133% FPL	<u>CHILDREN < 19YRS BORN BEFORE 9/30/83:</u>	QUEST - 62.5FPL ABD - 100% FPL

**FIRST PHASE OF TITLE XXI
ATTACHMENT B
CHILDREN AGES 1 TO UNDER 6 WITH FAMILY INCOMES BETWEEN 134% - 185% FPL**



<u>0 < 1 YRS:</u>	QUEST - 185% FPL	<u>6 < 19 YRS, BORN AFTER 9/30/83:</u>	QUEST - 100% FPL
	ABD - 185% FPL		ABD - 100% FPL
<u>1 < 6 YRS:</u>	QUEST - 133% FPL	<u>CHILDREN < 19 YRS BORN BEFORE 9/30/83:</u>	QUEST - 62.5% FPL
	ABD - 133% FPL		ABD - 100% FPL

TITLE XXI FIRST PHASE: Covering all children without health insurance ages 1 < 6 with family income between 134% FPL < 185% FPL.