



State of Idaho  
**DEPARTMENT OF HEALTH AND WELFARE**  
Office of the Director

PHILIP E. BATT  
Governor  
LINDA L. CABALLERO  
Director

450 W. State Street, 10th Flr.  
P.O. Box 83720  
Boise, ID 83720-0036  
(208) 334-5500  
FAX (208) 334-6558  
TDD (208) 334-4921

October 9, 1998

Nancy Goetschius  
Division of Integrated Health Systems  
Health Care Financing Administration  
Mail Stop C3-18-26  
7500 Security Boulevard  
Baltimore, MD 21244-1850

Dear Ms. Goetschius:

As requested, we are forwarding the public notice information regarding the change in the State of Idaho's Child Health Plan eligibility threshold for CHIP applicants to 150 percent of the Federal poverty level from 160 percent of the Federal poverty level. Also included is the electronic copy of the Medicaid State Plan and the Child Health Plan Amendment requests.

The State of Idaho certifies that it has provided prior public notice of the proposed change in a form and manner provided under applicable State Law. There were no comments or requested hearings from the public.

In addition to the public notification, individual notification of the proposed eligibility change was made to approximately 1,500 families on CHIP in a postcard mailed April 29, 1998. Fact sheets regarding the change were also made available in the waiting areas of the seven regional Health and Welfare offices.

Attached are: Idaho Public Notice Process  
Postcard  
Fact Sheet.

Please contact Division of Medicaid Administrator DeeAnne Moore at (208) 334-5747 if you have any questions.

Sincerely,

LINDA L. CABALLERO

Director

LLC:AM:BFO

Attachments

at Lin Trees, HCEA Region X

# COPY

## IDAPA 16 - DEPARTMENT OF HEALTH AND WELFARE

### 16.03.01 - RULES GOVERNING MEDICAID FOR FAMILIES AND CHILDREN

DOCKET NO. 16-0301-9801

#### NOTICE OF TEMPORARY AND PROPOSED RULES

**EFFECTIVE DATE:** These temporary rules are effective July 1, 1997, October 1, 1997, November 19, 1997, and July 1, 1998.

**AUTHORITY:** In compliance with Sections 67-5221(1) and 67-5226, Idaho Code, notice is hereby given that this agency has adopted temporary rules, and proposed regular rulemaking procedures have been initiated. The action is authorized pursuant to Section(s) 56-209(b), Idaho Code.

**PUBLIC HEARING SCHEDULE:** Pursuant to Section 67-5222(2), Idaho Code, public hearing(s) concerning this rulemaking will be scheduled if requested in writing by twenty-five (25) persons, a political subdivision, or an agency, not later than May 20, 1998.

The hearing site(s) will be accessible to persons with disabilities. Requests for accommodation must be made not later than five (5) days prior to the hearing, to the agency address below.

**DESCRIPTIVE SUMMARY:** Adds medical coverage for low income, uninsured children under the age of nineteen (19) who's gross family income does not exceed one hundred and sixty percent (160%) of the federal Poverty guideline for the household size effective, October 1, 1997 through June 30, 1998, and one hundred and fifty percent (150%) of the Federal Poverty Guideline for the household size effective July 1, 1998.

Income and resources of a legal non-citizen's sponsor and the sponsor's spouse are counted in determining eligibility.

The Adoption and Safe Families Act of 1997 requires States to provide medical coverage to children with special needs.

Adds Medicaid overpayments and recovery.

**TEMPORARY RULE JUSTIFICATION:** Temporary rules have been adopted in accordance with Section 67-5226, Idaho Code and are necessary in order to comply with governing law to confer a benefit.

**ASSISTANCE ON TECHNICAL QUESTIONS, SUBMISSION OF WRITTEN COMMENTS:** For assistance on technical questions concerning the temporary or proposed rule, contact Patti Campbell, Bureau Chief, at 334-5819.

Anyone can submit written comments regarding this rule. All written comments and data concerning the rule must be directed to the undersigned and must be postmarked on or before May 27, 1998.

**DATED this 6th day of May, 1998.**

**SHERRI KOVACH  
Administrative Procedures Coordinator  
DHW - Division of Legal Services  
450 West State Street, 10th Floor  
P.O. Box 83720  
Boise, Idaho 83720-0036  
(208) 334-5564 phone, (208) 334-5548 fax**

**IDAPA 16  
TITLE 03  
Chapter 01**

**16.03.01 - RULES GOVERNING ELIGIBILITY  
FOR MEDICAID FOR FAMILIES AND CHILDREN**

**005. ABBREVIATIONS.**

Abbreviations applicable to IDAPA 16, Title 03, Chapter 01 are listed in Subsections 005.01 through 005.33.  
(7-1-98)

01.	AFDC. Aid to Families with Dependent Children, the cash assistance program for families and children in effect through June 30, 1997.	(7-1-98)
02.	AG. Office of the Attorney General, Health and Welfare Division.	(7-1-98)
03.	AIM. The Department's Advanced Information Management system for Medicaid.	(7-1-98)
04.	ASVI. Alien Status Verification Index.	(7-1-98)
05.	BCSS. Bureau of Child Support Services.	(7-1-98)
<del>06.</del>	<del>CHIP. Child Health Insurance Program.</del>	<del>(10-1-97)I</del>
067.	DHW. Department of Health and Welfare.	(7-1-98)
078.	DOEL. Department of Employment Labor.	<del>(7-1-98)</del> (10-1-97)I
089.	DVR. Department of Vocational Rehabilitation.	(7-1-98)
0910.	EE. Eligibility Examiner.	(7-1-98)
101.	EITC. Earned Income Tax Credit.	(7-1-98)
142.	EPICS. The DHW Eligibility Programs Integrated Computer System.	(7-1-98)
123.	EPSDT. Early and Periodic Screening, Diagnosis, and Treatment.	(7-1-98)
134.	FmHA. The Farmer's Home Administration of the U.S. Department of Agriculture.	(7-1-98)
145.	FPG. Federal Poverty Guideline.	(7-1-98)
156.	HUD. The U.S. Department of Housing and Urban Development.	(7-1-98)
167.	ICF/MR. Intermediate Care Facility/Mentally Retarded.	(7-1-98)
178.	ICSES. The Idaho Child Support Enforcement System.	(7-1-98)
189.	IEVS. Income and Eligibility Verification System.	(7-1-98)
+1920.	INA. Immigration and Naturalization Act.	(7-1-98)
201.	IRS. Internal Revenue Service.	(7-1-98)

212.	MA. Medicaid (Medical Assistance).	(7-1-98)
223.	PRWORA. Personal Responsibility Work Opportunity Reconciliation Act of 1996.	(7-1-98)
234.	PWE. Principal Wage Earned.	(7-1-98)
245.	RSDI. Retirement, Survivors, and Disability Insurance.	(7-1-98)
256.	SAVE. Systematic Alien Verification for Entitlement.	(7-1-98)
267.	SRS. Self Reliance Specialist.	(7-1-98)
278.	SSA. Social Security Administration.	(7-1-98)
289.	SSI. Supplemental Security Income.	(7-1-98)
2930.	SSN. Social Security Number.	(7-1-98)
301.	TAFI. Temporary Assistance for Families in Idaho.	(7-1-98)
312.	TPL. Third Party Liability	(7-1-98)
323.	UIB. Unemployment Insurance Benefits.	(7-1-98)
334.	VA. Veterans Administration.	(7-1-98)
345.	VRS. Vocational Rehabilitation Services, Department of Education.	(7-1-98)

**006. FEDERAL LAWS.**

Federal and public laws applicable to IDAPA 16, Title 03, Chapter 01 are listed in Subsections 006.01 through 006.16. (7-1-98)

01.	Alaska Native Claim Settlement Act. This Federal Law is contained in Title 43 of the U.S. Code.	(7-1-98)
02.	<u>Adoptions and Safe Families Act of 1997.</u>	(11-19-7)
023.	Child Nutrition Act of 1966. This Federal Law is contained in Title 42 of U.S. Code.	(7-1-98)
034.	Domestic Volunteer Service Act of 1973. This Federal Law is contained in Titles 5 and 42 of the U.S. Code.	(7-1-98)
045.	Higher Education Amendments of 1968. This Federal Law is contained in Titles 12 and 20 of the U.S. Code.	(7-1-98)
056.	Housing Act of 1949. This Federal Law is contained in Titles 12 and 42 of the U.S. Code.	(7-1-98)
067.	Housing and Urban Development Act of 1965. This Federal Law is contained in Titles 12, 15, 20, 38, 40, 42, and 49 of the U.S. Code.	(7-1-98)
078.	Immigration and Nationality Act. This Federal Law is contained in Titles 8, 18, 22, 31, 49, and 50 of the U.S. Code.	(7-1-98)
089.	Manpower Development and Training Act of 1962 as Amended by the Manpower Act of 1965. This Federal Law is	

contained in Title 42 of the U.S. Code.

(7-1-98)

0910. National Housing Act. This Federal Law is contained in Titles 10, 12, 15, 41, 48, 49, and 50 of the U.S. Code. (7-1-98)
101. National School Lunch Act. This Federal Law is contained in Title 42 of the U.S. Code. (7-1-98)
112. Older Americans Act of 1965. This Federal Law is contained in Title 42 of the U.S. Code. (7-1-98)
123. Personal Responsibility and Work Opportunity Reconciliation Act of 1996. This Federal Law is contained in Public Law 104-193. (7-1-98)
134. Rehabilitation Act of 1973. This Federal Law is contained in Title 29 of the U.S. Code. (7-1-98)
145. Tax Reduction Act of 1975, as amended by the Tax Reduction and Simplification Act of 1977. This Federal Law is contained in Titles 5, 15, 26, and 42 of the U.S. Code. (7-1-98)
156. Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970. This Federal Law is contained in Title 42 of the U.S. Code. (7-1-98)
167. United States Housing Act of 1937, as amended by Public Law 92-213. This Federal Law is contained in Title 42 of the U.S. Code. (7-1-98)

**(BREAK IN SEQUENCE)**

**206. NON-QUALIFIED NON-CITIZENS SPONSOR DEEMING.**

~~Individuals not listed in Section 203 are non-qualified non-citizens. These individuals were either admitted for a temporary period of time or were never lawfully admitted. Non-qualified non-citizens can include undocumented aliens, lawful temporary residents, foreign students, and visitors for business or pleasure. Non-qualified non-citizens, if otherwise eligible, can get services for an emergency condition: Income and resources of a legal non-citizen's sponsor and the sponsor's spouse are counted in determining eligibility.~~

~~(7-1-98)(8-22-97)T~~

**207. SPONSOR RESPONSIBILITY.**

~~Section 213 of the Immigration and Naturalization Act requires that a sponsor signing Form I-864, Affidavit of Support, must reimburse the Department for Medicaid benefits to a sponsored legal noncitizen. (12-19-97)T~~

2078. - 214. (RESERVED).

**(BREAK IN SEQUENCE)**

**217. ASSIGNMENT OF RIGHTS TO MEDICAL SUPPORT AND THIRD PARTY LIABILITY.**

By operation of Section 56-203B and Section 56-209b(3), Idaho Code, medical support rights are assigned to the Department by signature on the Medicaid application. The participant's signature is acknowledgment that he understands his rights are assigned and he must cooperate to establish paternity and to secure medical support from any liable third party. The cooperation requirement may be waived if the participant proves he has good cause for not cooperating. Good cause for not cooperating is a situation in which cooperation would not be in the best interest of the participant. Good cause can include situations of rape, incest, or domestic violence that can be proven.

(7-1-98)(10-1-97)T

**(BREAK IN SEQUENCE)**

**221. REPORTING REQUIREMENTS.**

Changes in family circumstances must be reported to the Department and the change verified. ~~A reasonable opportunity to report is allowed.~~ Participants have ten (10) days, from the date the change is known, to report. Report of changes may be made verbally or in writing, through personal contact, telephone or mail. ~~A change can be reported on the Department's change report form.~~ Reporting

requirements are acknowledged when the participant signs the application form.

~~(7-1-98)~~(10-1-97)I

**222. TYPES OF CHANGES THAT MUST BE REPORTED.**

Changes in circumstances the participant must report are listed in Subsections 221.01 through 221.12.  
(7-1-98)

01. Name or Address. A name change for any family member must be reported. A change of address or location must be reported. (7-1-98)
02. Household Composition. Changes in family composition or the number of people living with the family, must be reported. (7-1-98)
03. Marital Status. Marriages or divorces of any family member must be reported. (7-1-98)
04. Earned Income. Earned income changes for all family members must be reported when the employer, or source of income, changes, when there is a change in hourly rate or salary, or when there is a change between part-time and full-time work. When families receive Medicaid because of the unemployment of a parent, changes in the number of hours worked must be reported. (7-1-98)
05. Unearned Income. Changes in the amount or source of unearned income must be reported for all family members. (7-1-98)
06. Support Income. Changes in the amount of support paid or a change in the ordered amount must be reported for all family members. (7-1-98)
07. Resources. Changes in resources must be reported. This includes receiving money or goods of worth from any source. (7-1-98)
08. Vehicles. Changes in the number or type of vehicles must be reported. (7-1-98)
09. New Social Security Number. A Social Security Number (SSN) that is newly assigned must be reported. (7-1-98)
10. Citizenship Status. Changes in citizenship and changes in the status of non-citizens must be reported. (7-1-98)
11. Disability. A family member who becomes disabled or is no longer disabled is a change in circumstances and must be reported. ~~(7-1-98)~~(10-1-97)I
12. Dependent Care Costs. Changes in the amount of dependent care costs must be reported. (7-1-98)

**(BREAK IN SEQUENCE)**

**224. PARTICIPANT FAILS TO REPORT EARNED INCOME.**

When a change in earned income is not reported, or is not timely reported, the earned income disregards are not allowed in the financial determination. ~~Good cause for not reporting exists if the unreported income is less than five dollars (\$5).~~  
(7-1-98)(7-1-98)I

**(BREAK IN SEQUENCE)**

**311. RESOURCE DEFINITION.**

Resources are liquid assets, vehicles, settlements, tax refunds, proceeds from the sale of a resource, cash value of life insurance and real property with a cash value upon disposition. Resources are available when the participant has the legal right to dispose of the resource and can do so in a reasonable length of time. (7-1-98)(7-1-98)I

**312. LIQUID ASSETS.**

Liquid assets include such things as cash, bank accounts, proceeds from the sale of a resource, cash value of life insurance, stocks, bonds, mutual funds, promissory notes, mortgages, tax refunds, settlement of damage claims, trust funds, and other financial instruments that can be converted into cash. (7-1-98)(7-1-98)T

**(BREAK IN SEQUENCE)**

**315. BANK ACCOUNTS.**

Money deposited to a bank account by the participant is a countable resource. Income not spent in the month received is counted as a resource the next month. (7-1-98)(7-1-98)T

**(BREAK IN SEQUENCE)**

**354. JOB TRAINING PARTNERSHIP ACT (JTPA) INCOME.**

Incentive income from the JTPA program is earned income. JTPA allowances are excluded if provided for specific goods and services. JTPA income, paid to a minor child, is disregarded for six (6) consecutive calendar months. A minor child's unearned JTPA income is excluded with no time limits. (7-1-98)(7-1-98)T

**(BREAK IN SEQUENCE)**

**357. EARNED INCOME DISREGARDS.**

Earned income disregards are subtracted from monthly earnings. The disregards may be a standard disregard, thirty dollars (\$30) plus one-third (1/3) disregard, and the dependent care disregard. Disregards are subtracted in that order. (7-1-98)(7-1-98)T

**(BREAK IN SEQUENCE)**

**361. DEPENDENT CARE DISREGARD.**

A dependent care disregard is subtracted from earnings for dependents requiring care because of employment related reasons. Dependents can be either children or an incapacitated spouse. To allow the disregard for an adult, the incapacity must be obvious or the family must provide medical proof that adult care is necessary. The amount disregarded is the anticipated cost of care or the maximum care allowance, whichever is less. Maximum dependent care allowances are listed in Subsections 361.01 and 362.02. (7-1-98)(7-1-98)T

01. Dependents Two (2) Years of Age or Older. Dependents, two (2) years of age or older has up to one hundred seventy-five dollars (\$175) disregarded when the caretaker relative works full-time, eighty (80) or more hours in a month. When the caretaker relative works part-time, less than eighty (80) hours in a month, up to one hundred fifteen dollars (\$115) is disregarded. (7-1-98)

02. Dependents Under Two (2) Years of Age. Dependents under two (2) years of age have up to two hundred dollars (\$200) disregarded when the caretaker relative works full-time, eighty (80) or more hours per month. When the caretaker relative works part-time, less than eighty (80) hours in a month, up to one hundred thirty-five dollars (\$135) is disregarded. (7-1-98)

**(BREAK IN SEQUENCE)**

**380. RETIREMENT ACCOUNT WITHDRAWALS.**

Monthly withdrawals from retirement accounts are unearned income. Principal withdrawn in one lump sum is a resource. Interest from a retirement account withdrawn in one lump sum is unearned income. (7-1-98)(7-1-98)T

**(BREAK IN SEQUENCE)**

**416. TRANSITIONAL MEDICAID (TM).**

Low Income Families with Children are eligible for Transitional Medicaid (TM) if the family income exceeds limits because the caretaker relative's hours of employment increase, income from employment increased, or the thirty dollars (\$30) plus one-third (1/3) or the thirty dollar (\$30) disregard expired. Medicaid must have been received in three (3) of the six (6) months before the month the family become

ineligible. Eligible families get TM for up to twelve (12) months. An initial six (6) month period and an additional six (6) month period is available when the conditions listed in Subsections 416.01 through 416.032 are met. TM ends when all eligible children have left the home or the applicable time periods have expired. ~~(7-1-98)~~(10-1-97)T

01. Reporting Requirement for TM. Families getting TM must complete and sign three (3) quarterly reports in the Transitional Medicaid periods. Monthly earnings and child care expenses must be declared and proof of earnings and child care expenses must be provided. The additional six (6) month is authorized when the first completed quarterly report is received. (7-1-98)

02. Income Tests for TM. Families must meet two (2) income tests during the twelve (12) month period. The one hundred eighty-five percent (185%) income test must be passed at the end of the sixth month and again when the final quarterly report is received. The caretaker must have earnings each month. (7-1-98)

~~03. Ending Transitional Medicaid. TM is ended when all eligible children have left the home. (7-1-98)~~

**(BREAK IN SEQUENCE)**

**501. LOW INCOME CHILD.**

A child may be Medicaid eligible if non-financial criteria and financial criteria is met. The child's birth date must be after September 30, 1983. The child's age determines the percentage of FPG used as an income limit and is listed in Subsections 501.01 and 501.02. (7-1-98)

01. Child Under Age Six (6). Family income must not exceed one hundred thirty-three percent (133%) of the Federal Poverty Guideline for the family size. If the child is receiving Medicaid inpatient services when he turns six (6), eligibility continues through the month his inpatient stay ends. ~~(7-1-98)~~(7-2-98)T

02. Child Age Six (6) and Over. Family income must not exceed one hundred percent (100%) of the Federal Poverty Guidelines for the family size. If the child is receiving Medicaid inpatient services when he turns six (6) or nineteen (19), eligibility continues through the month his inpatient stay ends. ~~(7-1-98)~~(7-1-98)T

**(BREAK IN SEQUENCE)**

**505. CHILD HEALTH INSURANCE PROGRAM (CHIP).**

The 1997 Balanced Budget Reconciliation Act provides medical coverage for low income children. The children must meet the conditions in Subsections 505.01 through 07: (10/1/97)T

01. Under Age Nineteen (19). The child must be under the age of nineteen (19). (10/1/97)T

02. No Health Insurance. The child must not have creditable health insurance coverage. (10/1/97)T

03. No Medicaid Eligibility. The child must not be eligible for other Medicaid programs. (10/1/97)T

04. Income Limit October 1, 1997 through June 30, 1998. For the period October 1, 1997 through June 30, 1998 family income must not exceed one hundred and sixty percent (160%) of the Federal Poverty Guidelines for the household size. (10/1/97)T

05. Income Limit July 1, 1998 and After. For the period beginning July 1, 1998 and after, the family income must not exceed and one hundred fifty percent (150%) of the Federal Poverty Guidelines for the household size. (10/1/97)T

06. Intent of qualify. A family must not remove a child from a creditable health insurance plan with the intent to qualify. (10/1/97)T

07. Other Eligibility Criteria. All other eligibility criteria as defined for poverty level, low income children. (10/1/97)

5056. – 599. (RESERVED).

**(BREAK IN SEQUENCE)**

**706.THE ADOPTIONS AND SAFE FAMILIES ACT.**

The Adoptions and Safe Families Act of 1997 provides health insurance coverage for any child with special needs if they meet the conditions in Subsections 706.01 and 706.02.; (11-01-97)T

01. Adoption Assistance Agreement. The child has an adoption assistance agreement and; (11-19-97)T

02. Special Needs. The State has determined that due to the child's special needs for medical, mental health or rehabilitative care the child cannot be placed with adoptive parents without medical assistance.(11-19-97)T

7067. – 9799.(RESERVED).

**800. OVERPAYMENTS.**

Medicaid overpayments occur when a participant receives Medicaid services during a month, but is ineligible for Medicaid. (7-1-97)T

**801. RECOVERY OF OVERPAYMENTS.**

All Medicaid overpayments are subject to recovery. Medicaid overpayments are recovered by direct payment. (7-1-97)T

01. Notice of Overpayment. The participant must be informed of the Medicaid overpayment. (7-1-97)T

02. Notice of Recovery. The participant must be informed when his Medicaid overpayment is fully recovered. (7-1-97)T

802. – 999.(RESERVED).



State of Idaho  
DEPARTMENT OF HEALTH AND WELFARE  
Legal Services Division

**COPY**

Administrative Procedures Section  
450 West State Street - 10th Floor  
P.O. Box 83720  
Boise, Idaho 83720-0036  
(208) 334-5552

PHILIP E. BATT  
Governor  
LINDA L. CABALLERO  
Director

**LIST OF EXHIBITS**

**Temporary and Proposed Rules Governing  
Eligibility/Med/Fam&Child**

**Docket Number: 16.0301.9801**

**Deadline for Comment: May 27, 1998**

<b><u>EXHIBIT NO.</u></b>	<b><u>SUBMITTED BY</u></b>	<b><u>DESCRIPTION</u></b>	<b><u>NO. PAGES</u></b>
1	Legislative Services Susan D. Bennion State Capitol P.O. Box 83720 Boise, ID 83720-0054	Memorandum	3
2	Legislative Services Susan D. Bennion State Capitol PO Box 83720 Boise, ID 83720-0054	Letter	1



# Legislative Services Office Idaho State Legislature

Carl F. Bianchi  
Director

May 26, 1998

State Capitol  
P.O. Box 83720  
Boise, ID 83720-0054  
208/334-2475; Fax 334-2125

SHERRI KAVACH  
HEARING & RULES COORDINATOR  
DEPARTMENT OF HEALTH AND WELFARE  
DIVISION OF LEGAL SERVICES  
STATEHOUSE MAIL

EXHIBIT NUMBER <u>2 pg. 1 of 1</u>	
ADDRESS COMMENT IN WRITTEN REPORT AND PREPARE RECOMMENDATIONS	
BY/FOR THE CUSTODIAN	DATE
	<u>5/27/98</u>

Dear Sherri:

The Senate and House Subcommittees for review of administrative rules have reviewed the proposed changes to in the Department of Health and Welfare rules:

- |                            |  |
|----------------------------|--|
| <b>IDAPA 16.03.10-9801</b> | <b>Medicaid Provider Reimbursement</b>                           |
| <b>IDAPA 16.03.09-9804</b> | <b>Medical Assistance-Prior Authorization</b>                    |
| <b>IDAPA 16.03.09-9803</b> | <b>Medical Assistance-Post Eligibility Income</b>                |
| <b>IDAPA 16.03.09-9801</b> | <b>Medical Assistance-Adding Licensed Professional Counselor</b> |
| <b>IDAPA 16.03.04-9801</b> | <b>Food Stamp Program - New Sponsor</b>                          |
| <b>IDAPA 16.03.01-9801</b> | <b>Medicaid for Families and Children ,</b>                      |

No meeting will be held, and we are pleased to report that no objections will be filed.

Sincerely,

Susan D. Bennion  
Senior Legislative Analyst  
Research & Legislation

## RECEIVED

MAY 27 1998

SDB/swn

ADMINISTRATIVE PROCEDURES SECTION  
DOCKET NO. \_\_\_\_\_

Research & Legislation  
Mike Nugent, Supervisor  
208/334-2475; Fax 334-2125

Budget & Policy Analysis  
Jeff Youtz, Supervisor  
208/334-3531; Fax 334-2668

Legislative Audits  
Larry Kirk, Supervisor  
208/334-3540; Fax 334-2125

*Serving Idaho's Citizen Legislature*



# Legislative Services Office Idaho State Legislature

EXHIBIT NUMBER	1 of 3
ADDRESS COMMENT IN WRITTEN REPORT AND PREPARE RECOMMENDATION	
DATE FOR THE CUSTODIAN	5/27/98

Carl F. Bianchi  
Director

State Capitol  
P.O. Box 83720  
Boise, ID 83720-0054  
208/334-2475; Fax 334-2125

## MEMORANDUM

TO: Senate Health and Welfare Rules Review Subcommittee  
House Health and Welfare Rules Review Subcommittee

FROM: Research and Legislation Staff, Bennion

DATE: March 31, 1998

SUBJECT: Enclosed Rules:  
Docket 16.0309-9803, Rules Governing Medical Assistance  
Docket 16.0301.9801, Rules Governing Medicaid  
Docket 16.0304-9801, Rules Governing the Food Stamp program  
Docket 16.0309-9801, Rules Governing Medical Assistance  
Docket 16.0303-9804, Rules Governing Medical Assistance  
Docket 16-0310-9801, Rules Governing Medicaid Provider Reimbursement

# RECEIVED

APR 01 1998

ADMINISTRATIVE PROCEDURES SECTION  
DOCKET NO. \_\_\_\_\_

**Docket 16.0309.9803**, Rules Governing Medical Assistance, is a submission which slightly revises the method the Department will use to calculate the rate of participation by a recipient of services. The change is to provide that the *personal needs allowance* is equal to the AABD allowance for a person living in a similar circumstance. The proposed change is being made to comply with federal requirements.

**Docket 16.0301.9801**, Rules Governing Medicaid, is a submission to provide Medicaid coverage for low income uninsured children, medical coverage for certain adoptees, and to make technical changes in other procedures.

- (1) The Child Health Insurance Program (CHIP) is a program included in the 1997 Balanced Budget Reconciliation Act. It provides medical coverage for low income children who meet the qualifying criteria. This submission provides two tiers of coverage: those between October 1, 1997 through June 30, 1998, whose family income does not exceed 160% of poverty, and those after July 1, 1998, whose family income does not exceed 150% of poverty.

Research & Legislation  
Mike Nugent, Supervisor  
208/334-2475; Fax 334-2125

Budget & Policy Analysis  
Jeff Youtz, Supervisor  
208/334-3531; Fax 334-2668

Legislative Audits  
Larry Kirk, Supervisor  
208/334-3540; Fax 334-2125

Memo to Germane Committees on Health and Welfare  
March 31, 1998  
Page 2

EXHIBIT NUMBER <u>2 pg 2 of 3</u>	
ADDRESS COMMENT IN WRITTEN REPORT AND PREPARE RECOMMENDATIONS	
BY/ FOR THE CUSTODIAN	DATE
	<u>5/27/98</u>

- (2) The Docket also implements the Adoptions and Safe Families Act program to provide health insurance coverage to a child with special needs if the child cannot be placed with adoptive parents without the medical assistance. The promulgation addresses overpayments and recovery of overpayments within these two programs.
- (3) In addressing sponsorship of a legal non-citizen, this docket implements a federal requirement related to the responsibility of a sponsor for a non-citizen entering the country. This provision will include the sponsor's income in the assets of the non-citizen when calculating eligibility for Medicaid. Federal amendments to the Immigration and Naturalization Act require that a sponsor must reimburse the Department for Medicaid benefits. Counting the income as an asset is aimed at preventing payments which will have to be recovered at a later date

**Docket 16.0304-9801**, Rules Governing the Food Stamp program, is largely an update of these rules to recognize that the department is no longer issuing food stamps by mail. All of the references to mailed stamps, lost in the mail stamps, recovery, and so forth, have been deleted. This docket also incorporates the changes made concerning a sponsor's responsibility for a legal non-citizen as referenced in the Medicaid document. Language is added to the requirements for work to define a thirty-six month period beginning December 1, 1996 and ending November 30, 1999, during which a person cannot receive more than three months of eligibility for food stamps unless he/she has met the requirements of working or participating in job search or readiness activities.

**Docket 16.0309-9801**, Rules Governing Medical Assistance, is a simple change to the rules to include Licensed Professional Counselors-Private Practice within the list of Medicaid providers of psychotherapy services. Because these rules have not been amended in several years, there are also minor changes to correct citations or terminology.

**Docket 16.0303-9804**, Rules Governing Medical Assistance, addresses the method of payment for durable medical equipment and supplies. At the present time, anything with a value of more than \$100 requires a prior authorization. The Department has concluded that this is more costly than a procedure which requires that medical necessity be documented, and the documentation maintained, and then subjected to random spot checks for compliance. This policy will apply unless the rules state otherwise, as they do for wheelchairs, electronic blood glucose testing devices with voice synthesizers, electronic pain suppression/muscle stimulation devices, electric hospital beds, continuous positive airway pressure machines, and bilevel positive airway pressure machines.

**Docket 16-0310-9801**, Rules Governing Medicaid Provider Reimbursement, very specifically addresses the reimbursement methodology for federally qualified health centers (FQHC). These changes adopt a minimum staff utilization requirement and limit the cost per encounter to the Medicare payment level. The Department will no longer require an interim cost settlement.

Memo to Germane Committees on Health and Welfare  
March 31, 1998  
Page 3

EXHIBIT NUMBER <u>1 pg 3 of 5</u>	
ADDRESS COMMENT IN WRITTEN REPORT AND PREPARE RECOMMENDATIONS	
BY/FOR THE CUSTODIAN	DATE
	<u>5/27/88</u>

Staff finds no technical, procedural or substantive objections to these rules.

cc: Department of Health and Welfare

# COPY

## IDAPA 16 - DEPARTMENT OF HEALTH AND WELFARE

### 16.03.01 - RULES GOVERNING ELIGIBILITY FOR MEDICAID FOR FAMILIES AND CHILDREN

DOCKET NO. 16-0301-9801

#### NOTICE OF PENDING RULE AND AMENDMENT TO TEMPORARY RULE

**EFFECTIVE DATE:** The amendments to the temporary rule are effective July 1, 1997, October 1, 1997, November 19, 1997, and July 1, 1998. These rules have been adopted by the agency and are now pending review by the 1998 Idaho State Legislature for final adoption. The pending rule becomes final and effective on July 1, 1998, unless the rule is approved, rejected, amended or modified by concurrent resolution in accordance with Section 67-5224 and 67-5291, Idaho Code. If the pending rule is approved, amended or modified by concurrent resolution, the rule becomes final and effective upon adoption of the concurrent resolution or upon the date specified in the concurrent resolution.

**AUTHORITY:** In compliance with Section 67-5224 and 67-5226, Idaho Code, notice is hereby given that this agency has adopted a pending rule and amended a temporary rule. The action is authorized pursuant to Section(s) 56-209(b), Idaho Code.

**DESCRIPTIVE SUMMARY:** The proposed rules have been amended to make typographical, transcriptional, and clerical corrections to the rules, and are being amended pursuant to Section 67-5227, Idaho Code.

Only the sections that have changes are printed in this bulletin. The original text of the proposed rules was published in the May 6, 1998 Administrative Bulletin, Volume 98-5, pages 140 through 147.

**ASSISTANCE ON TECHNICAL QUESTIONS:** For assistance on technical questions concerning the pending rule, contact Patti Campbell, Bureau Chief, at 334-5819.

DATED this 5th day of August, 1998.

SHERRI KOVACH

Administrative Procedures Coordinator

DHW - Legal Services Division

450 West State Street - 10th Floor

P.O. Box 83720

Boise, Idaho 83720-0036

(208) 334-5564 phone; (208) 334-5548 fax

**IDAPA 16  
TITLE 03  
Chapter 01**

**16.03.01 - RULES GOVERNING ELIGIBILITY  
FOR MEDICAID FOR FAMILIES AND CHILDREN**

**005. ABBREVIATIONS.**

Abbreviations applicable to IDAPA 16, Title 03, Chapter 01 are listed in Subsections 005.01 through 005.33.  
(7-1-97)T

- |     |   |            |
|-----|---|------------|
| 01. | AFDC. Aid to Families with Dependent Children, the cash assistance program for families and children in effect through June 30, 1997. | (7-1-97)T  |
| 02. | AG. Office of the Attorney General, Health and Welfare Division.  | (7-1-97)T  |
| 03. | AIM. The Department's Advanced Information Management system for Medicaid.  | (7-1-97)T  |
| 04. | ASVI. Alien Status Verification Index.  | (7-1-97)T  |
| 05. | BCSS. Bureau of Child Support Services.   | (7-1-97)T  |
| 06. | CHIP. Child Health Insurance Program.   | (10-1-97)T |
| 07. | DHW. Department of Health and Welfare.  | (7-1-97)T  |
| 08. | DOL. Department of Labor.   | (10-1-97)T |
| 09. | DVR. Department of Vocational Rehabilitation.   | (7-1-97)T  |
| 10. | EE. Eligibility Examiner.   | (7-1-97)T  |
| 11. | EITC. Earned Income Tax Credit.   | (7-1-97)T  |
| 12. | EPICS. The DHW Eligibility Programs Integrated Computer System.   | (7-1-97)T  |
| 13. | EPSDT. Early and Periodic Screening, Diagnosis, and Treatment.  | (7-1-97)T  |
| 14. | FmHA. The Farmer's Home Administration of the U.S. Department of Agriculture.   | (7-1-97)T  |
| 15. | FPG. Federal Poverty Guideline.   | (7-1-97)T  |
| 16. | HUD. The U.S. Department of Housing and Urban Development.  | (7-1-97)T  |
| 17. | ICF/MR. Intermediate Care Facility/Mentally Retarded.   | (7-1-97)T  |
| 18. | ICSES. The Idaho Child Support Enforcement System.  | (7-1-97)T  |
| 19. | IEVS. Income and Eligibility Verification System.   | (7-1-97)T  |
| 20. | INA. Immigration and Naturalization Act.  | (7-1-97)T  |
| 21. | IRS. Internal Revenue Service.  | (7-1-97)T  |

- |     |  |                               |
|-----|--|-------------------------------|
| 22. | MA. Medicaid (Medical Assistance).   | (7-1-97)T                     |
| 23. | PRWORA. Personal Responsibility Work Opportunity Reconciliation Act of 1996. | (7-1-97)T                     |
| 24. | PWE. Principal Wage Earned.  | <del>(7-1-97)</del> (7-1-98)T |
| 25. | RSDI. Retirement, Survivors, and Disability Insurance.                       | (7-1-97)T                     |
| 26. | SAVE. Systematic Alien Verification for Entitlement.                         | (7-1-97)T                     |
| 27. | SRS. Self Reliance Specialist.   | (7-1-97)T                     |
| 28. | SSA. Social Security Administration.   | (7-1-97)T                     |
| 29. | SSI. Supplemental Security Income.   | (7-1-97)T                     |
| 30. | SSN. Social Security Number.   | (7-1-97)T                     |
| 31. | TAFI. Temporary Assistance for Families in Idaho.                            | (7-1-97)T                     |
| 32. | TPL. Third Party Liability   | (7-1-97)T                     |
| 33. | UIB. Unemployment Insurance Benefits.  | (7-1-97)T                     |
| 34. | VA. Veterans Administration.   | (7-1-97)T                     |
| 35. | VRS. Vocational Rehabilitation Services, Department of Education.            | (7-1-97)T                     |

**(BREAK IN SEQUENCE)**

**505. CHILD HEALTH INSURANCE PROGRAM (CHIP).**

The 1997 Balanced Budget Reconciliation Act provides medical coverage for low income children. The children must meet the conditions in Subsections 505.01 through 07: (10/1/97)T

01. Under Age Nineteen (19). The child must be under the age of nineteen (19). (10/1/97)T
02. No Health Insurance. The child must not have creditable health insurance coverage. (10/1/97)T
03. No Medicaid Eligibility. The child must not be eligible for other Medicaid programs. (10/1/97)T
04. Income Limit October 1, 1997 through June 30, 1998. For the period October 1, 1997 through June 30, 1998 family income must not exceed one hundred and sixty percent (160%) of the Federal Poverty Guidelines for the household size. (10/1/97)T
05. Income Limit July 1, 1998 and After. For the period beginning July 1, 1998 and after, the family income must not exceed and one hundred fifty percent (150%) of the Federal Poverty Guidelines for the household size. (10/1/97)T
06. Intent to qualify. A family must not remove a child from a creditable health insurance plan with the intent to qualify. (10/1/97)T
07. Cost Prohibitive. A family must purchase creditable health insurance if affordable and available. The SRS/Examiner

will determine (prudent person) if insurance is cost prohibitive. (10/1/97)T

07-08. Other Eligibility Criteria. All other eligibility criteria as defined for poverty level, low income children. (10/1/97)T

## Fact Update

### CHILDREN'S HEALTH INSURANCE PROGRAM

- **What is CHIP?** CHIP is short for the Children's Health Insurance Program. CHIP was created to provide access to health care for uninsured children under 19. The program started October 1, 1997 in Idaho. As a first step, the decision was made to provide this health insurance coverage through Medicaid.
- **What services are provided?** CHIP provides access to medical services including preventive services like hearing, vision and dental. Children can receive needed health care services through this program.
- **What is the income limit?** Gross income -- income before taxes -- is used to determine whether or not a child qualifies for benefits. The income limit for Idaho's program was initially established at 160% of the federal poverty guideline (this is \$1,820 gross income per month for a family of three, \$2,193 gross income per month for a family of four).

In accordance with direction provided by the 1998 Idaho Legislature, **the income limit for this program is changing as of July 1, 1998.** The maximum income will be **reduced** to 150% of the federal poverty guideline.

- **How do I get more information about CHIP?** Contact the Health and Welfare office nearest you for more information on this program.



Brighter Futures for Idaho's Kids  
Department of Health and Welfare  
450 West State Street  
Boise, ID 83720-0036  
Telephone: 208/334-5551  
or Toll free: 1-800/926-2588

## **Información Actualizada**

### **PROGRAMA DE SEGURO MÉDICO PARA NIÑOS (CHIP EN INGLÉS)**

- **¿Qué es CHIP?** CHIP es la abreviación para el Programa de seguro médico para niños. CHIP fue creado para proveer cuidado médico a niños menores de 19 años que no tienen seguro médico. El programa empezó el 1 de octubre de 1997 en Idaho. Como el primer paso, la decisión fue hecha para proveer este seguro médico por medio de Medicaid.
  - **¿Qué servicios son proveídos?** CHIP provee acceso a servicios médicos incluyendo a servicios de prevención como audición, visión y dental. Niños pueden recibir el cuidado médico que necesitan por medio de éste programa.
  - **¿Cuál es el límite de ingreso?** Ingreso Bruto -- ingreso antes que le quiten los impuestos -- es usado para determinar si un niño califica para recibir beneficios. El límite de ingreso para el programa de Idaho fue inicialmente establecido a 160% de la guía federal para la pobreza (ésto es \$1,820 ingreso bruto al mes para una familia de tres, \$2,193 ingreso bruto por mes para una familia de cuatro).
- De acuerdo con la dirección dada por la legislatura de Idaho de 1998, **el límite de ingreso para este programa va a cambiar a partir del 1 de julio de 1998.** El ingreso máximo será **reducido a 150%** de la guía federal para la pobreza.
- **¿Cómo puedo obtener mas información acerca de CHIP?** Comuníquese con la oficina más cercana del Departamento de Salud y Bienestar para más información sobre éste programa.



Un Futuro Mejor para los Niños de Idaho  
Departamento de Salud y Bienestar  
450 West State Street  
Boise, ID 83720-0036  
Teléfono: 208/334-5551  
ó llame gratis al: 1-800/926-2588

## Health insurance eligibility is changing!

The income limit for the Children's Health Insurance Program (CHIP) is changing as of July 1, 1998 from 160 percent of the Federal Poverty Limit to 150 percent.

For example, the monthly income limit for a family of 3 goes down from \$1820 to \$1706, for a family of 4 it goes down from \$2193 to \$2056. If you have questions, please call your nearest Health and Welfare office.

*¡Los requisitos para recibir seguro médico están cambiando!*

El límite de ingresos que Ud. puede ganar para poder recibir Seguro Médico para Niños (CHIP en inglés) va a cambiar el 1 de julio de 1998 de 160 a 150 por ciento del Límite Federal de Pobreza.

Por ejemplo, lo que puede ganar al mes, una familia de 3 va a bajar de \$1820 a \$1706, para una familia de 4 va a bajar de \$2193 a \$2056.

Si Ud. tiene preguntas, por favor llame a la oficina del Departamento de Salud y Bienestar más cercana a Ud.

### Region 1

Coeur d'Alene, ID  
769-1515

### Region 2

Lewiston, ID  
799-4320

### Region 3

Caldwell, ID  
454-0421

### Region 4

Boise, ID  
334-6700

### Region 5

Twin Falls, ID  
736-2110

### Region 6

Pocatello, ID  
235-2900

### Region 7

Idaho Falls, ID  
528-5800

Costs associated with this publication available from the Idaho Department of Health and Welfare: IDHW-1 500-31268-4-98 Cost per unit \$0.38 Printed on recycled paper

Idaho Department of Health and Welfare  
450 W. State Street  
Boise, ID 83720-0036

Bulk Rate  
U.S. Postage  
PAID  
Permit No. 1  
Boise, Idaho



Health insurance  
eligibility is changing!

¡Los requisitos para  
recibir seguro médico