



STATE OF MAINE
DEPARTMENT OF HUMAN SERVICES
11 STATE HOUSE STATION
AUGUSTA, MAINE
04333-0011

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GOVERNOR

KEVIN W. CONCANNON
COMMISSIONER

January 9, 2003

Maurice Gagnon
Centers for Medicare and Medicaid Services
7500 Security Blvd.
Baltimore, MD 21244

ATTN: Family and Children's Health Program Group
Center for Medicaid and State Operations
Mail Stop S2-01-16

Dear Mr. Gagnon:

Enclosed are revised Title XXI State Plan pages that amend Section 3.1, Methods of Delivery and Utilization Controls, and Section 9.10, SCHIP Budget Plan, to include health services initiatives in Maine's SCHIP State Plan as allowed for in Title XXI legislation and rules. Enclosed are revised pages 6 and 34 and a new page 6a.

If you have any questions about the State Plan Amendment, please call Linda Schumacher at 207-287-9370 or e-mail her at linda.schumacher@state.me.us.

Sincerely,

Eugene Gessow
Director
Bureau of Medical Services

Cc: Richard Pecorella



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Section 3. Methods of Delivery and Utilization Controls (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. Include a description of the choice of financing and the methods for assuring delivery of the insurance products and delivery of health care services covered by such products to the enrollees, including any variations. (Section 2102)(a)(4) (42CFR 457.490(a))

MaineCare, both Title XIX and Title XXI funded coverage, is administered by the Maine Department of Human Services. Within the Department, the Bureau of Medical Services is responsible for establishing policy regarding benefits, quality assurance, and paying claims. The Bureau of Family Independence is responsible for determining eligibility.

Children covered under MaineCare with Title XXI funding are provided with the same benefits available to children enrolled with Title XIX funding. All administrative processes are designed by the Department of Human Services to be seamless. As such, all enrollment and eligibility processes, benefit package/benefit delivery policies, and outreach activities are the same for Title XIX and Title XXI, with the only discernable difference being premium billing for those Title XXI children at 151% through 200% FPL.

The MaineCare primary care case management initiative is operational in all 16 counties. With few exceptions, the majority of MaineCare children covered under Title XXI funding access services through primary care case management. Any MaineCare member exempted from participation must access care through the existing fee-for-service system. MaineCare children covered under Title XXI funding are provided with the same rights and services as are children covered with Title XIX funding.

In addition, pursuant to Section 2105(a)(2)(B), the Department will offer "health services initiatives". The health services initiatives will be activities sponsored by the Department's Bureau of Health under the Partnership for a Tobacco-Free Maine. Specific health services initiatives may include the following:

- grants to providers to promote health education in primary and secondary schools through "school health coordinators" where the school health coordinators implement a coordinated school health program that incorporates the Center for Disease Control/Division of Adolescent and School Health (CDC/DASH) guidelines for tobacco use, physical activity, and healthy eating";*

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Model Application Template for the State Children's Health Insurance Program

- *grants to schools to build **or** expand capacity at school based health centers where the school based health centers provide support**for** their public healthfunction: educatingfuture adult health care consumers on healthy behaviors and on the use of health care;*
- *grants toproviders to conduct outreach campaigns to promotefamily planning among adolescents where the providers supportfamily life education consultationprograms**for** schools and communities as well as community based adolescentpregnancy prevention projects; and*
- *grants to a contractor to develop media campaigns to promote tobacco prevention among children and youth where the contractor develops a statewide marketing campaign**for** the partnership**for** a tobacco free Maine which has a target audience of children and youth.*

3.2. Describe the utilization controls under the child health assistance provided under the plan for targeted low-income children. Describe the systems designed to ensure that enrollees receiving health care services under the state plan receive only appropriate and medically necessary health care consistent with the benefit package described in the approved state plan. (Section 2102)(a)(4) (42CFR 457.490(b))

*The utilization controls are the same**for** all MaineCare members regardless of the source offunds. Thefollowing utilization controls are in use:*

1. *Primary Care Providers – Under the primary care case management initiative, each MaineCare member has a Primary Care Provider who is responsible**for** managing (treating **or** referring out**for** treatment) the member's health care.*

Model Application Template for the State Children's Health Insurance Program

Planned use of funds, including --

- Projected amount to be spent on health services;
- Projected amount to be spent on administrative costs, such as outreach, child health initiatives, and evaluation; and
- Assumptions on which the budget is based, including cost per child and expected enrollment.

Projected sources of non-Federal plan expenditures, including any requirements for cost-sharing by enrollees.

SCHIP Budget Plan

FY 03	Federal Fiscal Year Costs
Enhanced FMAP rate	0.7635
Benefit Costs	
Insurance payments	
Managed care	n/a
per member/per month rate @ # of eligibles	
Fee for Service	21,340,281
Total Benefit Costs	21,340,281
(Offsetting beneficiary cost sharing payments)	-599,084
Net Benefit Costs	20,741,197
Administration Costs	
Personnel	
General administration	
Contractors/Brokers (e.g., enrollment contractors)	
Claims Processing	
Outreach/marketing costs	253,530
(Other	2,041,014)
Total Administration Costs	2,294,544
Federal Share (multiplied by enh-FMAP rate)	17,587,788
State Share	5,447,953
TOTAL PROGRAM COSTS	23,035,711

Note: Federal Fiscal Year (FFY) runs from October 1st through September 30th.

The S-CHIP program budget for FY 03 is based upon an enrollment assumption of approximately 13,100 children per month with an annual cost of approximately \$1,600 per child. This cost is the estimated cost for services, not the expenditures net of such offsets as premium collections and Rx rebates.

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