

Email From: Richard Pannkuk, Washington State  
To: Nancy Fasciano, HCFA  
Cc: Selia Evans, Washington State  
Date: February 27, 2001

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Dear Ms. Fasciano:

In response to our phone conversation on February 26, 2001, I am providing further information to clarify our proposed amendments to the Washington State Children's Health Insurance Program (CHIP) State Plan.

The state plan, as it was first approved, did not indicate that clients must first agree to pay premiums in order to be made eligible for Washington CHIP. Despite not mention of this in the state plan, our current policy is all applicants must agree to cost-share up front as a condition of eligibility. We have found this policy problematic since it adds a step to and delays the eligibility process. To simplify the process, we have removed the need for a written agreement to cost-share as a condition of eligibility. It is our understanding from reading the most current rules published for the CHIP that operational policies such as these must be included in the state plan. Since ours does not, we have done so through a state plan amendment.

Section 4.3 paragraph 4 should read as follows: Although applicants must agree to pay premiums and copayments to participate in the program, there is no requirement that this agreement be in writing prior to determining eligibility. Clients are informed of their cost-sharing responsibilities at the time of application and once again when enrolled into the program.

We also submitted an amendment to allow for assignment of clients who do not choose health plans within the first 60 days of becoming eligible. If clients fail to choose a plan, in mandatory enrollment counties (where two or more managed care plans are available), we will assign the eligible members based on a random assignment methodology. Clients have ample opportunity to choose a health plan before one is chosen for them. The attached material is sent to the client notifying them 1) they must choose a health plan, 2) how to choose a plan, and 3) what health plans are available for them.

If you should have further questions, please do not hesitate to give me a call.