

Title of Rule: Revision to the Financial Management of the Children's Basic Health Plan 10 CCR 2505-3 §180

Rule Number: MSB 12 - 10 - 03 - A

Division / Contact / Phone: Children's Health Plan Plus / Christine Martinez / 3424

**SECRETARY OF STATE**  
**RULES ACTION SUMMARY AND FILING INSTRUCTIONS**

**SUMMARY OF ACTION ON RULE(S)**

1. Department / Agency Name: Health Care Policy and Financing / Medical Services Board
2. Title of Rule: MSB 12 - 10 - 03 - A, Revision to the Financial Management of the Children's Basic Health Plan 10 CCR 2505-3 §180
3. This action is an adoption of: an amendment
4. Rule sections affected in this action (if existing rule, also give Code of Regulations number and page numbers affected):  
  
Sections(s) 8.100.4.J, Colorado Department of Health Care Policy and Financing, Staff Manual Volume 8, Medical Assistance (10 CCR 2505-10).
5. Does this action involve any temporary or emergency rule(s)? No  
If yes, state effective date:  
Is rule to be made permanent? (If yes, please attach notice of hearing). Yes

**PUBLICATION INSTRUCTIONS\***

Please replace current text at §180.1.A.1 and §180.1.A.6 with the new text provided. All text indicated in blue is for clarification purposes only and not for publication. This change is effective 04/30/2013.

Title of Rule: Revision to the Financial Management of the Children's Basic Health Plan 10 CCR 2505-3 §180

Rule Number: MSB 12 - 10 - 03 - A

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**STATEMENT OF BASIS AND PURPOSE**

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

The Department received clarification from the Centers for Medicare and Medicaid Services (CMS) stating the current methodology for Express Lane Eligibility needs to be changed to an “affirmative consent” in order to determine if a child is eligible for Family Medical Assistance. In order to make this change, language must be modified to allow families to “opt-in” to have their eligibility determined for Medical Assistance instead of “opting-out.”

2. An emergency rule-making is imperatively necessary

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

☐ for the preservation of public health, safety and welfare.

Explain:

3. Federal authority for the Rule, if any:

Section 203 of the Children's Health Insurance program Reauthorization Act of 2009 (CHIPRA), Public Law 111-3

4. State Authority for the Rule:

25.5-1-301 through 25.5-1-303, C.R.S. (2012);

Initial Review

**02/08/2013**

Final Adoption

**03/08/2013**

Proposed Effective Date

**04/30/2013**

Emergency Adoption

**DOCUMENT #01**

Title of Rule: Revision to the Financial Management of the Children's Basic Health Plan 10 CCR 2505-3 §180

Rule Number: MSB 12 - 10 - 03 - A

Division / Contact / Phone: Children's Health Plan Plus / Christine Martinez / 3424

## **REGULATORY ANALYSIS**

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

This rule will affect children who are receiving Free or Reduced Lunch.

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

The proposed rule clarifies that families “opt-in” to have their eligibility determined for Medical Assistance instead of “opting-out.”

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

The proposed rule is not expected to have any fiscal impact as it is a technical change to the Express Lane Eligibility process, which streamlines the eligibility process and reduces administrative burden to eligibility sites and clients.

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

N/A

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

There are no less costly methods. This is a correction to the rule as required by CMS.

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

N/A

## 180 Express Lane Eligibility

Express Lane Eligibility will allow for automatic initiation of Medical Assistance enrollment by using available data and findings from other programs as listed below.

### 180.1 Free/Reduced Lunch Program

A. Recipients of the Free/Reduced Lunch Program who have submitted a Free/Reduced Lunch application at a participating school district

1. Families ~~who are potentially eligible~~ will be given the option to ~~opt out~~ opt into Medical Assistance coverage for their potentially eligible child.
2. Children who meet all necessary eligibility requirements as outlined in this volume will be automatically enrolled.
3. Children who meet all necessary eligibility requirements except verification of U.S. citizenship and identity will receive 30 days of eligibility while awaiting this verification.
4. Any additionally required verification will be requested from the client through CBMS prior to being automatically enrolled.
5. Eligibility is based on income declared on the Free/Reduced Lunch application as well as eligibility requirements outlined in section 150.
6. ~~Families who are found ineligible for a medical program will receive an Application for Medical Assistance in order to reevaluate eligibility for~~ If it would be found that a child does not satisfy an eligibility requirement for medical assistance, the child's eligibility will be evaluated using the application for Medical Assistance.

B. Recipients of the Free/Reduced Lunch Program who were not required to submit a Free/Reduced Lunch application at a participating school district

1. Families who are automatically enrolled Free/Reduced Lunch recipient children will not be forwarded to the Department for Express Lane Eligibility in compliance USDA confidentiality guidelines.
2. These families must apply for Medical Assistance in order to give consent for request of benefits.

Rule Number: MSB 13-01-08-A

Division / Contact / Phone: Managed Care/CHP+ / Christine Martinez / 3424

**SECRETARY OF STATE  
RULES ACTION SUMMARY AND FILING INSTRUCTIONS**

**SUMMARY OF ACTION ON RULE(S)**

1. Department / Agency Name: Health Care Policy and Financing / Medical Services Board
2. Title of Rule: MSB 13-01-08-A, Revision to the Child Health Plan Rule Concerning Direct Certification, Section 180.2
3. This action is an adoption of: an amendment
4. Rule sections affected in this action (if existing rule, also give Code of Regulations number and page numbers affected):  
  
Sections(s) Section 180.2, Colorado Department of Health Care Policy and Financing, Child Health Plan *Plus* (10 CCR 2505-3).
5. Does this action involve any temporary or emergency rule(s)? No  
If yes, state effective date:  
Is rule to be made permanent? (If yes, please attach notice of hearing). Yes

**PUBLICATION INSTRUCTIONS\***

Please insert new section 180.2 immediately following current text at §180.1.B.2 with the text provided. All text indicated in blue is for clarification only and should not be changed. This change is effective 04/30/2013.

Title of Rule: Revision to the Child Health Plan Rule Concerning Direct Certification, Section 180.2

Rule Number: MSB 13-01-08-A

Division / Contact / Phone: Managed Care/CHP+ / Christine Martinez / 3424

**STATEMENT OF BASIS AND PURPOSE**

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

The Direct Certification provisions in the Children's Health Insurance Program Reauthorization Act of 2009 (CHIPRA) provide states new options to reach and enroll the nearly six million low-income uninsured children who are eligible for Medicaid or CHIP. Direct Certification enables state Medicaid and CHIP agencies to identify, enroll, and recertify children by relying on eligibility findings from other programs, such as Colorado Works or Food Stamps, rather than having to re-analyze eligibility under their own rules. Further, CHIPRA authorizes greater use of electronic means to demonstrate eligibility. By relying on information available, the State can avoid unnecessary and repetitive requests.

2. An emergency rule-making is imperatively necessary

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

☐ for the preservation of public health, safety and welfare.

Explain:

3. Federal authority for the Rule, if any:

Code of Federal Regulations, 42 CFR 435.902 and 435.916 authorized in PL 111-3, Children's Health Insurance Program Reauthorization Act of 2009, Section 203 and Section 212

4. State Authority for the Rule:

25.5-1-301 through 25.5-1-303, CRS (2012)

Initial Review

**02/08/2013**

Final Adoption

**03/08/2013**

Proposed Effective Date

**04/30/2013**

Emergency Adoption

**DOCUMENT #02**

Title of Rule: Revision to the Child Health Plan Rule Concerning Direct Certification, Section 180.2

Rule Number: MSB 13-01-08-A

Division / Contact / Phone: Managed Care/CHP+ / Christine Martinez / 3424

## **REGULATORY ANALYSIS**

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

Those who benefit: Two classes benefit from this rule. 1) Clients applying for Food Stamps or Colorado Works benefits who may be eligible for Medicaid benefits but did not know they were. 2) County workers who only have to process one application for the applicant rather than two separate applications.

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

Applicants: Low income families in Colorado are more likely to receive medical benefits, meaning a larger portion of the population will be insured. By covering a larger portion of the population, hospitals and medical providers in Colorado are more likely to be reimbursed for the services they provide, meaning there will be less cost shifting to other insured populations.

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

The proposed rule is not expected to have any fiscal impact as it is a technical change to the Express Lane Eligibility process, which streamlines the eligibility process and reduces administrative burden to eligibility sites and clients.

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

Proposed rule will reduce cost and streamline application process because only one application will need to be submitted and processed. This change of rule is required to come into compliance with The Children's Health Insurance Program Reauthorization Act of 2009(CHIPRA), enacted on February 4, 2009. Section 203 of CHIPRA authorizes States to rely on findings from an Express Lane agency to conduct simplified eligibility determinations and facilitate enrollment in Medicaid and CHP+.

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

There are no less costly methods.

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

No other options, this is the only method to implement the rule.



## **180 Express Lane Eligibility**

Express Lane Eligibility will allow for automatic initiation of Medical Assistance enrollment by using available data and findings from other programs as listed below.

### **180.1 Free/Reduced Lunch Program**

### **180.2 Direct Certification**

A. When an application for Food Stamps or Colorado Works has been submitted, families will be given the option to opt into Medical Assistance coverage for their potentially eligible children.

1. Children who meet all necessary eligibility requirements as outlined throughout sections 100 through 180 will be automatically enrolled.
2. Children who are only missing verification of U.S. citizenship and identity will receive 30 days of coverage while waiting for this verification.
3. Any additionally required verification will be requested from the client through CBMS prior to being automatically enrolled.
4. Eligibility is determined based on income declared on the Food Stamp or Colorado Works application as well as other eligibility requirements for CHP+.
5. If it would be found that a child does not satisfy an eligibility requirement for medical assistance, the child's eligibility will be evaluated using the application for Medical Assistance.