

**LaCHIP****H-500****H-510 GENERAL INFORMATION**

***The Balanced Budget Act of 1997, enacted on August 5, 1997, established a children's health insurance program under Title XXI of the Social Security Act. The purpose of this program is to enable States to initiate and expand the provision of child health assistance to uninsured, low-income children.***

***The law allows Louisiana to expand coverage to "targeted low-income children" under an expansion of Medicaid (for children who would not qualify for Medicaid under State rules in effect as of April 15, 1997), a separate state child health insurance program, or through a combination of these programs.***

***Senate Bill No. 78 of the First Extraordinary Session of the 1998 Louisiana Legislature authorized implementation of the State Children's Health Insurance Program (LaCHIP) as a combination of an expanded Medicaid program and a separate child health insurance program and placed administrative authority with the Department of Health and Hospitals. Initial implementation involved only an expansion of Medicaid.***

***A "targeted low-income child" is one:***

- ***who is under age 19;***
- ***whose family income meets the specified cut-off level;***
- ***who does not have other insurance; and***
- ***who has been determined eligible for child health assistance under the state plan.***

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By opting to expand health insurance coverage to targeted low-income children through a Medicaid expansion, a State may cover the same groups of children which they would be permitted to cover under a separate state child health insurance program. For Medicaid purposes, these children are referred to as "optional targeted low-income children".

An optional targeted low-income child is a child who:

- is under the age of 19;
- is not eligible for Medicaid under any other optional or mandatory eligibility group or eligible as medically needy (without spend-down liability) including:
  - Children under age 6 with family income up to 133% FPL. (CHAMP);
  - Children born on or after 10-01-83 age 6 or older with family income up to 100% FPL. (CHAMP);
  - Deprived children under age 19 with family incomes and resources below LIFC program standards. (LIFC); and
  - Deprived children under age 19 with family incomes and resources below regular MNP program standards. (MNP)
- would not be eligible for Medicaid under the policies in the State's Medicaid plan in effect on April 15, 1997 including:
  - ***Children under age 6 with family income above 133% FPL but equal to or less than 200% FPL;***
  - Uninsured children born on or after 10-1-83 age 6 or older with family income above 100% FPL but equal to or less than **\*\* 200% FPL;**

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- Uninsured children born before 10-01-83 under age 19 with family income above LIFC/Regular MNP standards but below **\*\* 200% FPL**;
- does not have health insurance;
- has family income at or below **\*\* 200%** of the Federal Poverty Level.

**H-520 ELIGIBILITY DETERMINATION PROCESS**

Determine eligibility by applying the following criteria. The elements have been listed in the most logical order, but work on all steps simultaneously.

**H-520.1 Determine Assistance/Benefit Unit**

The assistance/benefit unit consists of the child(ren) under age 19.

**H-520.2 Establish Categorical Requirement**

Verification must be provided that each child is under age 19.

**H-520.3 Establish Non-Financial Eligibility**

Verify eligibility for each member of the assistance/benefit unit with regard to the following factors:

- Assignment of Third Party Rights I-200
- Citizenship/Alien Status I-300
- Enumeration I-600
- Residence I-1900
- ***Lack of Creditable Health Coverage*** I-2200

Evaluate the need for Support Enforcement Services (SES) referral. Refer to I-2000.

**H-520.4 Establish Need****A. Determine Composition of the Income Unit**

***The LaCHIP income unit includes the following persons who live in the home:***

- ***child or children under age 19 for whom assistance is requested,***
- ***child of LaCHIP child,***
- ***siblings not excluded, and***
- ***parents (legal or natural).***

**Note:**

***Relationship is not an eligibility factor. The child can be eligible for LaCHIP even if living with unrelated persons. Verification of relationship of the LaCHIP applicant to non-applicant siblings is required to allow the siblings to be included in the income unit.***

***Military parents who do not live in the home are not included. Count only direct contributions or allotments.***

***Unrelated persons, relatives other than the parents, or custody agencies who apply for a child are not included.***

***Include sanctioned individuals in the income unit, and their needs are included in the income standard.***

***Refer to H-100.3, Assistance/Benefit Unit - Optional Exclusions, for persons living in the home who may be optionally excluded.***

**H-520.4**      **Continued****B. Determine Need/Countable Income**

**Step 1. Determine the income unit.**

**Step 2. Determine total gross earnings for each member of the income unit.**

**Step 3. Subtract the following deductions/exemptions from each members' gross earnings (Refer to I-1525, Treatment of Income):**

- **standard deduction, and**
- **dependent care cost for a child or incapacitated adult living in the home if this care is needed for the parent to accept or continue employment. It is not necessary for the child or incapacitated adult to be a member of the assistance unit but they must be a member of the income unit.**

**Step 4. Total the countable earned income.**

**Step 5. Determine total countable unearned income for each member of the income unit.**

**Step 6. Add countable earned and unearned income of all members of the income unit to determine total income.**

**Step 7. Compare the total countable income to the appropriate income standard for the income unit size. Refer to Z-0000, Charts.**

**Note:**

**Do not include unborns in the income standard.**

**H-520.5 Eligibility Decision**

Evaluate all eligibility requirements and verifications received to make the eligibility decision to either reject/close, certify, or extend eligibility.

**H-520.6 Certification Period**

The certification period shall not exceed 12 months, **\*\* excluding** any retroactive coverage **\*\***. ***The 12 month certification period shall begin with the month of application.***

Retroactive medical eligibility shall be explored for the three months prior to the month of application. Refer to H-1800, Retroactive Medical Eligibility.

**H-520.7 Notice of Decision**

Send the notice of decision to the applicant/recipient.

Reminder:

BHSF flyers shall be provided to recipients who did not receive program information at application.

Submit the KIDMED referral form.