

## CS10 – Children Who Have Access to Public Employee Coverage

**Statute:** 2110(b)(2)(B) and (b)(6) of the SSA

**Formal Guidance:** SHOL # 11-002, dated April 4, 2011

### INTRODUCTION

This state plan page (fillable PDF) applies only to states with separate child health assistance programs.

State plan page CS10 must be completed by states which currently have or elect to provide coverage to Children Who Have Access to Public Employee Coverage. States that do not elect to provide coverage to children who have access to public employee coverage need not complete this state plan page.

In this state plan page, states provide information with regard to eligibility criteria, including income standards, specific to this population group.

### BACKGROUND

Prior to passage of the Affordable Care Act, section 2110(b) of the Social Security Act excluded from CHIP eligibility children with access to a state employee health benefits plan.

An individual is considered eligible for health benefits coverage under a state health benefits plan if a more than nominal contribution to the cost of health benefits coverage under a state health benefits plan is available from the state or public agency. A contribution is considered more than nominal if the state or public agency makes a contribution toward the cost of an employee's dependent(s) that is \$10 per family, per month, more than the state or public agency's contribution toward the cost of covering the employee only.

In response to concerns raised that some children of state employees did not have access to comprehensive, affordable coverage, the definition of a targeted low-income child in section 2110(b)(2)(B) of the Act was amended by the ACA to include children of state employees if one of two conditions is met. Exclusion of children with access to public employee coverage does not apply to coverage under a Medicaid expansion program.

For children of state employees to qualify under this option, one of the following conditions must be met.

#### **Maintenance of Agency Contribution Condition**

For this condition to be met, states must demonstrate that they have been consistently contributing to the cost of employee coverage, with increases for inflation, since 1997.

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This condition is met when the public agency expenditures for health coverage for employees that have dependent coverage is not less than the amount of such expenditures in the 1997 state fiscal year, increased by the percentage increase of the medical care expenditure category of the Consumer Price Index. This does not require a case-by-case determination but can be calculated on an average basis for each public agency or it can be done in the aggregate for all multiple agencies having the same contribution rate structures.

### **Hardship Condition**

For this condition to be met, states must demonstrate that the coverage currently available through the public employee system poses a financial hardship for families. In making a hardship determination, states would assess whether the annual aggregate premiums and cost-sharing imposed by the state health benefits plan would exceed 5 percent of a family's income during the year the child would be enrolled in CHIP.

### **State Plan Options**

States may offer this option to a subset of their population eligible for public employee coverage. For example, states may limit coverage under this option to children in families with family income under 250% of the FPL although coverage for targeted low-income children is offered up to 300% of the FPL. States also have the option of limiting coverage under this option to certain public agencies.

Additional information may be found in SHOL # 11-002, dated April 4, 2011.

Note: If states have questions or need technical assistance regarding the methodology for expanding CHIP to children who have access to public employee coverage, the CMS project officer may provide guidance.

## **TECHNICAL GUIDANCE**

### **PREREQUISITES:**

**State plan page CS7 - Targeted Low-Income Children** must also have been submitted prior to or concurrently with state plan page CS10.

**State plan page CS15 - MAGI-Based Income Methodologies** must also have been submitted prior to or concurrently with state plan page CS10.

### **Review Criteria**

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***If state plan pages CS7 (targeted low-income children) and CS15 (MAGI-Based Income Methodologies) are not approved, state plan page CS10 cannot be approved.***

This state plan page is broken down into the following sections:

Eligibility Determination Assurance  
Selection of Condition/Criteria  
Additional Assurances

### **Eligibility Determination Assurance**

State plan page CS10 begins with the state being asked to provide assurance that it determines eligibility for this group in accordance with the provisions that follow.

The state provides this affirmative assurance by checking the box next to the assurance statement.

### **Review Criteria**

***The state must check the assurance box or this state plan page cannot be approved.***

### **Selection of Condition/Criteria**

The state is then asked to select one of the following two options:

- Maintenance of agency contribution as provided in 2110(b)(6)(B) of the SSA; or
- Hardship criteria as provided in section 2110(b)(6)(C) of the Social Security Act

### **Review Criteria**

***The state must select one of the two options or this state plan page cannot be approved.***

For the option selected, states are asked to provide household income standards and to identify the population(s) to whom that option is offered.

### ***Household Income***

States are asked to choose between one of two options:

### **Review Criteria**

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***The state must select one of the following two options or this state plan page cannot be approved.***

- The same as the standards for Targeted Low Income Children; or
- Lower than the income standards for Targeted Low Income Children

If the state selects “The same as the standards for Targeted Low Income Children”, no further entry is required in this section and the state moves on to the last section of state plan page CS10, labeled “Additional Assurances” (see instructions below).

If the state selects “Lower than the income standards for Targeted Low Income Children”, the system displays a Y/N question as to whether income standards are applied statewide.

### **Review Criteria**

***The state must select either yes or no or this state plan page cannot be approved.***

If the answer is yes, the state responds to the next Yes/No question asking if there are any exceptions, e.g. populations in a county which may qualify either under a statewide income standard or a county income standard.

### **Review Criteria**

***The state must select either yes or no or this state plan page cannot be approved.***

If the answer to this second question is no, that is income standards are statewide with no exceptions, the state enters the ages and income standards for each age range in the grid provided. See below for instructions on completing the age and income standards grid.

### **Review Criteria**

***The state must enter their statewide income standards (age and FPL levels) or this state plan page cannot be approved.***

If the answer to this second question is yes, that is there are exceptions to income standards being statewide, the state then enters an explanation which includes a description of the overlapping geographic area and the reason for having different income standards.

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### **Review Criteria**

***The state must enter a description or this state plan page cannot be approved. The description should be sufficiently clear, detailed and complete to permit the reviewer to determine that the state's election meets applicable federal statutory, regulatory and policy requirements.***

The state then enters both their statewide income standards as well as income standards which vary by geography (county, city or other geographic way) in the grid provided. See instructions below for completion of the age and income standards grid.

### **Review Criteria**

***The state must enter their statewide income standards (age and FPL levels) as well as selecting a geographic option and entering the income standards (age and FPL levels) for that geographic option or this state plan page cannot be approved.***

If the answer to whether income standards are applied statewide is no, the state then selects between the following two options:

- Standard varies by county or city, or
- Standard varies in some other geographic way

### **Review Criteria**

***The state must select a geographic option or this state plan page cannot be approved.***

*Standard varies by county or city*

If the state selects "Standard varies by county or city", it enters all the counties having the same age and income standards at one time and then enters the age and income standards for that set of counties in the grid provided. If there are additional counties with different age and income standards, repeat the process until all the counties with different standards have been entered. See instructions below on completing the income standards information.

### **Review Criteria**

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***The state must enter the county names and their respective income standards (age and FPL levels) or this state plan page cannot be approved.***

After completing the county standards, the state responds to the Y/N question asking if any cities within your state have their own separate income standards. If the answer is yes, the state enters the name of each city having the same age and income standards, and then enters the age and income standards for those cities. If there are additional cities with different age and income standards, repeat the process until all the cities with different standards have been entered. See instructions below on completing the income standards information.

### **Review Criteria**

***The state must enter the city names and their respective income standards (age and FPL levels) or this state plan page cannot be approved.***

*Standard varies in some other geographic way*

If the state selects “Standard varies in some other geographic way”, it names and describes the geographic area(s) and then enters the age and income standards for that geographic area in the age and income standards grid. If there are additional geographic areas within the state, with different age and income standards, repeat the process until all the geographic areas with different standards have been entered. See instructions below on completing the age and income standards information.

### **Review Criteria**

***The state must enter the names and descriptions of the geographic areas and their respective income standards (age and FPL levels) or this state plan page cannot be approved.***

*Instructions for Completing the Age and Income Grid*

States are asked to first provide the age range to which a qualifying income standard applies and then to enter the household income range that applies to the age range entered.

For “From Age” and “To Age”, states select ages from a drop down list of values from zero through 19.

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Note: The “From Age” includes the child’s birthday. The “To Age” should be read as “up to, but not including”. That is, for example, up to age 6 means until the child’s sixth birthday but not including the child’s birthday.

### **Review Criteria**

***Unless the state includes an explanation with the reason for having age overlaps, there should not be overlaps from one age range to the next. There should also not be any gaps from one age range to the next. In order to avoid age gaps, the “To Age” of each age range should be the same as the “From Age” of the next age range (e.g., up to (but not including) age 6, and on the next line from age 6 up to...). Although the same number is entered for “To Age” as for “From Age” of the next age range, this does not constitute an overlap. However two age ranges that both include the same ages, such as the first two years of life (From age 0 up to (but not including) age 2 on one line and from age 0 up to (but not including) age 6) on the next line is an overlap and must include a description. The description must include a justification for the age overlap, e.g. a higher income standard is used for targeted populations, such as children with disabilities or children under a specified age born to mothers enrolled in a prenatal program.***

***Additionally, for each age range the number entered for “To Age” must be greater than the number entered for “From Age”.***

There are two fields for household income ranges, labeled “Above” for the lower end of the income standard and “Up to and including” for the upper bound of the income standard. The state enters the Federal Poverty Level (FPL) percentages, applicable to the income standard used for the age range selected.

Note: The “Above” amount does not equal the actual dollar amount represented by the FPL percentage entered, but rather, it is equal to one cent above the dollar amount represented by the FPL percentage entered. However, “Up to and including” is inclusive of the actual dollar amount represented by the FPL percentage entered. Example: for income range of above 185% (dollar value = \$1,850) up to and including 250% (dollar value = \$2,500), the lower end equals \$1,850.01 and the upper end equals \$2,500 exactly).

If the state has different income standards for different age groups, the state reselects the button to the left of the age/income grid and repeats the process until all the income standards have been entered.

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***Within each income range entered, the number for “Up to and including” must be greater than the number entered for “Above”.***

***No matter how the state varies the income thresholds for this option, the number entered for the lower end of each income range, which is the “Above” column, must be equal to the qualifying income standard used in CS7 for targeted low-income children of the same age. For example, if the applicable lower income limit (amount entered in “Above”) for targeted low-income children is 133 percent of the FPL, then the number entered for “Above” (i.e. the lower income for children with access to public employee coverage) would also be 133 percent of the FPL.***

***Additionally, the number entered for the highest qualifying income limit, which is the “Up to and including” column must not be greater than the highest income limit entered for targeted low-income children in CS7 for children of the same age.***

### ***Population(s) to Whom this Option is Offered***

States are asked to indicate the population(s) offered this option by checking one of the following options:

#### **Review Criteria**

***The state must select one of the following two options or this state plan page cannot be approved.***

All children who have access to public employee coverage, or  
Certain children who have access to public employee coverage  
If this option is selected, then the state selects one or both of the following options:

#### **Review Criteria**

***The state must select one of the following two options or this state plan page cannot be approved.***

- Employees of certain public agencies, or
- Certain types of public employees

If the state selects “Employees of certain public agencies”, the state enters the type of agency. If this option is offered to multiple agencies, the state selects the



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button to the left of the “Type of Agency” field for entry of each agency type on a separate line.

### **Review Criteria**

***The state must enter the type of agencies or this state plan page cannot be approved.***

If the state selects “Certain types of public employees”, the state enters a description of the types of public employees. If this option is offered to multiple types of public employees, the state selects the button to the left of the “Describe type of public employees” field for entry of each type of public employee on a separate line.

### **Review Criteria**

***The description should be sufficiently clear, detailed and complete to permit the reviewer to determine that the state’s election meets applicable federal statutory, regulatory and policy requirements.***

### **Documentation**

After the state completes the income and population information, it attaches a copy of the documentation demonstrating that the state meets the conditions specific of the option selected. Please note that the button stating “An attachment is submitted” is an inactive button used as a reminder for the state to attach a document to OneMAC. Each state plan amendment submission includes a OneMAC screen that provides an upload function for attachments.

### **Review Criteria**

***The state must attach the documentation or this state plan page cannot be approved.***

### **Review Criteria**

***For maintenance of effort, the documentation should include the methodology the state used to calculate the maintenance of agency contribution. The documentation should be sufficiently clear, detailed and complete to permit the reviewer to determine that the state’s election meets applicable federal statutory, regulatory and policy requirements.***

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For technical assistance in developing the methodology, please contact CMS.

The state is then asked to provide assurance that it will, on an annual basis, recalculate expenditures for each participating public agency to determine if the maintenance of effort condition continues to be met.

The state provides this affirmative assurance by checking the box next to the assurance statement.

### **Review Criteria**

***The state must check the assurance box or this state plan page cannot be approved.***

### **Review Criteria**

***For hardship, the documentation should include the methodology the state used to calculate the financial hardship. The documentation should be sufficiently clear, detailed and complete to permit the reviewer to determine that the state's election meets applicable federal statutory, regulatory and policy requirements.***

For technical assistance in developing the methodology, please contact CMS.

The state is then asked to provide assurance that it will, on an annual basis, recalculate the financial status to determine if the hardship condition continues to be met.

The state provides this affirmative assurance by checking the box next to the assurance statement.

### **Review Criteria**

***The state must check the assurance box or this state plan page cannot be approved.***

### **Additional Assurances**

This section consists of two assurances:

- Children who are eligible for public employee health benefits coverage who are not described above are excluded from eligibility under the plan.

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-Children considered to have access to public employee coverage, and therefore not excluded from CHIP through this option, otherwise meet the definition of targeted low-income child provided at 457.310.

The state provides these affirmative assurances by checking the box next to each assurance statement.

### **Review Criteria**

***The state must check both assurance boxes, or this state plan page cannot be approved.***