

Proposed HFP Regulations Authorizing the Board to Establish a Waiting List and Authorizing Disenrollments

As a result of uncertainties concerning federal funding of the State Children's Health Insurance Program (the Healthy Families Program in California), staff have requested that the MRMIB board adopt regulations to provide for a waiting list and disenrollments if funding shortages force these actions in the future. The draft regulations included below were sent to board members on October 19, 2007 for consideration at the October 24 meeting. Staff may present board members and the public with a refined draft at the October 24 meeting. If staff do revise the proposed regulations, the revisions will be posted to the website.

**TITLE 10: CALIFORNIA CODE OF REGULATIONS
CHAPTER 5.8 MANAGED RISK MEDICAL INSURANCE BOARD
HEALTHY FAMILIES PROGRAM**

2699.66036602. Early Applications.

An applicant may apply to the program in advance for persons who are not eligible at the time of application, but who the applicant believes will become eligible within three (3) months because of one of the following:

- (a) They are currently enrolled in the Medi-Cal 200% Program and will become one year old.
- (b) They are currently enrolled in the Medi-Cal 133% Program and will become age 6.
- (c) They are currently on Medi-Cal for at least one month of continued eligibility under no cost, full scope Medi-Cal and have been notified by the county welfare office that coverage is ending.
- (d) It is anticipated that the child will be born. When the child is born, an applicant must submit documentation of the child's birth to the program, and must include the child's name, place and date of birth, and gender. The documentation and information must be received by the program within thirty (30) days from the birth for a child to be eligible pursuant to this section. Acceptable forms of documentation include a certificate of birth provided by a hospital or other health care facility, a signed statement by the health practitioner who presided over the delivery, or an equivalent document.

NOTE: Authority cited: Section 12693.21, Insurance Code.
Reference: Sections 12693.21, 12693.70, Insurance Code.

2699.6603. Board Determinations.

- (a) If the Board makes a finding that sufficient funds are not available to cover the estimated costs of program expenditures for all eligible individuals and that it is necessary to limit enrollment in the program to ensure that expenditures do not exceed amounts available, the program will establish a waiting list.
- (b) If the Board makes a finding that sufficient funds are not available to cover the estimated cost of program expenditures for all eligible subscribers and

that in addition to limiting new enrollment in the program, it is necessary to terminate subscribers in the program to ensure that expenditures do not exceed amounts available for the program, all subscribers will be disenrolled from the program during their Annual Eligibility Review.

- (c) If the Board makes a finding that sufficient funds are available to cover the estimated cost of program expenditures for all eligible subscribers, the program will cease the disenrollment of subscribers during Annual Eligibility Review.
- (d) If the Board makes a finding that sufficient funds are available to cover the estimated cost of program expenditures for some or all newly eligible individuals, the program will be instructed to review applications for children on the waiting list in the order in which they were placed on the waiting list.

NOTE: Authority cited: Section 12693.21, Insurance Code.
Reference: Section 12693.21, Insurance Code.

2699.6604. Initial Review of Application for Children.

- (a) Upon receipt of an application or an Add-A-Person Form, the program shall determine if there is funding available for enrollment pursuant to Section 2699.6603.
 - (1) If the Board has made a determination pursuant to Section 2699.6603(a), children will be placed on the waiting list in the order the application was received. An eligibility determination will not be made until the Board has made a determination pursuant to Section 2699.6603(d) and the applicant provides all supporting documentation required by Section 2699.6600.
 - (2) When funds become available, the program will send notification of availability and request any necessary information pursuant to Section 2699.6606. The program will make an eligibility determination in accordance with Sections 2699.6606 and 2699.6607.

NOTE: Authority cited: Section 12693.21, Insurance Code.
Reference: Section 12693.21, Insurance Code.

2699.6605. Initial Review of Application for Child-Linked Adults.

- (a) Upon receipt of an application or an Add a Person Application form, the program shall determine if there is funding available for additional enrollment of child-linked adults in the program.

- (b) (1) If there is no funding available for coverage of child-linked adults and the Board estimates that the program will be closed to new enrollment of child-linked adults for less than six (6) consecutive weeks, applications will be reviewed for completeness as set forth in Section 2699.6606 below and if complete, for eligibility. For persons age 19 and over who are determined to be eligible, the program will retain the applicant's family parent contributions payment to use to enroll the eligible child-linked adult(s) in the program once a vacancy opens in the program. The applicant may request a refund of the family parent contributions payment but the child-linked adult for whom enrollment was requested will be removed from the program waiting list. Persons age 19 and over for whom application is being made who are determined to be eligible will be placed on a waiting list in the following categories:
 - (A) Child-linked adults with an annual household income after income deductions of up to and including 100 percent of the federal poverty level.
 - (B) Child-linked adults with an annual household income after income deductions greater than 100 percent and up to and including 150 percent of the federal poverty level.
 - (C) Child-linked adults with an annual household income after income deductions greater than 150 percent and up to and including 200 percent of the federal poverty level.

- (2) The waiting list will be maintained as follows:
 - (A) Child-linked adults in category (b)(1)(B) will be placed ahead of child-linked adults in category (b)(1)(C) on the waiting list. Child-linked adults in category (b)(1)(A) will be placed ahead of child-linked adults in category (b)(1)(B) on the waiting list.
 - (B) Within each category, persons for whom application is being made who are determined to be eligible will be listed in the order in which completed applications were received by the program.

- (C) Each applicant shall be notified of placement on the waiting list. When a vacancy occurs or funds become available, whichever is applicable, persons for whom application is being made shall be enrolled in the order in which they appear on the waiting list.
- (c) If there is no funding available and the Board estimates that the program will be closed to new enrollment for six (6) consecutive weeks or more for child-linked adults, the program will so notify applicants on behalf of child-linked adults. The program will apply the family parent contributions to the family child contributions for that household unless the applicant requests a refund of the family parent contributions. The program shall refund the applicant's family parent contributions if there is no subscriber child in the household. When funds become available, the program will notify these applicants that the program is opening for new enrollment. To request coverage when the program opens for new enrollment, an applicant who previously applied for enrollment for a child-linked adult when the program was closed to new enrollment for six (6) consecutive weeks or more will be required to submit a new application pursuant to Section 2699.6600.
- (d) If there is funding available, or there is no funding available for coverage of child-linked adults but the Board estimates that the program will be closed to such new enrollment for less than six (6) consecutive weeks, the application shall be reviewed for completeness pursuant to Section 2699.6606.

NOTE: Authority cited: Sections 12693.21 and 12693.755, Insurance Code.
Reference: Sections 12693.21 and 12693.755, Insurance Code.

2699.6608 Enrollment of AIM Infants.

- (a) An AIM infant shall be enrolled without application when the program receives the required family child contribution beginning with the first full month of coverage pursuant to Section 2699.6613(g), and the following information about the infant from the AIM infant's mother at any time through the end of the eleventh month following the month of birth:
- (1) Name; and
 - (2) Date of birth; and
 - (3) Sex.

- (b) The program shall request information from the AIM infant's mother, on the AIM infant's weight at birth and primary care provider.
- (c) In lieu of reporting by the AIM infant's mother, the program must also accept the information specified in subsections (a) and (b) from the AIM infant's mother's health plan or a health care provider that provided services to the AIM infant's mother or the AIM infant.
- (d) Upon receipt of the family child contribution and the information specified in subsection (a), the program shall automatically enroll the infant in the same health plan within the Healthy Families Program that the AIM infant's mother is enrolled in through the AIM program.
- (e) Automatic enrollment of AIM infants is subject to payment of family child contributions and timely notification of the infant's birth as provided in (a).
- (f) Notwithstanding subsection (a) of this section, infants in need of immediate health care services will be immediately enrolled in the program if: (1) the AIM infant's mother's health plan notifies the program in writing of the need for services and provides the information specified in subsection (a) of this section; and (2) this written notification occurs no later than the 10th day of the second full calendar month of the infant's life. For infants enrolled pursuant to this subsection (f), the required family child contribution shall be billed to the AIM mother. If the required family child contribution is not paid, the provisions of this article concerning disenrollment for failure to pay the required family child contribution shall govern.

NOTE: Authority cited: Sections 12693.21 and 12693.755, Insurance Code.

Reference: Sections 12693.21, 12693.70, 12693.71, 12693.73 and 12693.755 and 12693.765, Insurance Code.

2699.6611. Disenrollment.

- (a) A subscriber shall be disenrolled from participation in the program if any of the following occur:
 - (1) The subscriber is found by the program to no longer be eligible during the annual eligibility review period.
 - (2) The Board has made a finding pursuant to Section 2699.6603(b) and all subscribers are disenrolled from the program at Annual Eligibility Review. Each subscriber disenrolled pursuant to Section 2699.6603(b) will be placed at the bottom of the waiting list as of

his or her disenrollment date.

- (23) The subscriber child attains the age of 19. A subscriber child who attains the age of 19 will not be disenrolled from the program if he or she applies to the program pursuant to Section 2699.6600 and is determined to be eligible for the program as a subscriber parent pursuant to Section 2699.6607 before his or her effective date of disenrollment.
- (34) A subscriber is determined by the program to not be a citizen, non-citizen national, or a qualified alien eligible to participate in the program or fails to provide documentation required pursuant to Subsection 2699.6600(c)(1)(T) within the required time period.
- (45) The applicant fails to pay the required family contribution for the subscriber for two (2) consecutive calendar months.
- (56) The applicant so requests in writing on behalf of himself or herself or on behalf of another subscriber for whom he or she applied.
- (67) The applicant has intentionally made false declarations in order to establish program eligibility for any person.
- (78) The applicant fails to provide the necessary information for the subscriber to be requalified.
- (89) Death of a subscriber.
- (910) The child through whom the subscriber parent became eligible as a child-linked adult as defined in Section 2699.6500 is no longer enrolled in no-cost Medi-Cal and has not enrolled in the program.
- (4011) The child through whom the subscriber parent became eligible as a child-linked adult as defined in Section 2699.6500 did not enroll in no-cost Medi-Cal, or the program, and the subscriber parent has no other children enrolled in the program or no-cost Medi-Cal.
- (4412) The child through whom the subscriber parent became eligible as a child-linked adult as defined in Section 2699.6500 attains the age of 19 and the subscriber parent has no other children enrolled in the program or no cost Medi-Cal.
- (4213) The child through whom the subscriber parent became eligible as a child-linked adult as defined in Section 2699.6500 no longer lives with the subscriber parent and another adult with whom the child

now lives applies and is found eligible for enrollment as a child-linked adult through the same child.

- (~~13~~14) The child through whom the subscriber parent became eligible as a child-linked adult as defined in Section 2699.6500 is no longer enrolled in the program, and the subscriber parent has no other children enrolled in the program or no-cost Medi-Cal.
- (b) Prior to disenrolling a subscriber pursuant to (a)(~~4~~5), the program shall provide written notification to the applicant no less than thirty (30) days prior to disenrollment. Such notice shall clearly indicate all of the following:
 - (1) The disenrollment will not occur if payment in full is made as required.
 - (2) If disenrollment for non-payment occurs, coverage will be terminated at the end of the second consecutive month for which the family contribution was not paid.
- (c) When a subscriber is disenrolled pursuant to (a) above, the program shall notify the applicant of the disenrollment. The notice shall be in writing and include the following information:
 - (1) The reason for the disenrollment.
 - (2) The effective date of disenrollment.
 - (3) The final day of coverage provided through the program.
 - (4) An explanation of the appeals process including the right to request continued enrollment pursuant to Section 2699.6612.
- (d) Disenrollment pursuant to (a)(~~4~~5) shall be effective as of the end of the second consecutive calendar month for which the required monthly contributions were not paid in full.
- (e) Disenrollment pursuant to (a)(1), (~~a~~(2)) and (a)(7) shall be effective at the end of the month of the subscriber's anniversary date.
- (f) Disenrollment pursuant to (a)(~~3~~4) shall be effective at the end of the calendar month in which the conclusion of the two-month period falls pursuant to Subsection 2699.6600(c)(1)(T).
- (g) Disenrollment pursuant to (a)(~~5~~6) shall be effective at the end of the month

in which the applicant's request was received. The applicant will be notified of the amount of family contribution due to the program for coverage through the subscriber's effective date of disenrollment.

- (h) Disenrollment pursuant to (a)(~~67~~) shall be effective at the end of the month in which the determination was made.
- (i) Disenrollment pursuant to (a)(~~23~~) and (a)(~~4112~~) shall be effective on the last day of the month the subscriber child or the child through whom the subscriber parent became eligible as a child-linked adult attains the age of 19.
- (j) Disenrollment pursuant to (a)(~~89~~) shall be effective at the end of the month in which death occurred.
- (k) Disenrollment pursuant to (a)(~~910~~) shall be effective at the end of the month following the program's notification of the subscriber child's disenrollment from no-cost Medi-Cal.
- (l) Disenrollment pursuant to (a)(~~4011~~) shall be effective at the end of the month following the second month from the date in which the application was received.
- (m) Disenrollment pursuant to (a)(~~4213~~) shall be effective at the end of the month following the program's determination that the subscriber child has departed from the subscriber parent's household and is living with another adult who has applied for enrollment and is eligible as a child-linked adult through that same child.
- (n) Disenrollment pursuant to (a)(~~4314~~) shall be effective at the end of the month following the program's determination that the adult is no longer child linked.

NOTE: Authority cited: Sections 12693.21 and 12693.755, Insurance Code.
Reference: Sections 12693.21, 12693.45, 12693.74, 12693.77, 12693.755, 12693.98 and 12693.981, Insurance Code.

2699.6625. Annual Eligibility Review for Subscribers.

- (a) Except as specified in (c), each subscriber will be re-evaluated annually prior to his or her anniversary date in the program to determine continued eligibility for the program. Applicants shall be notified of the annual eligibility review process at least sixty (60) calendar days prior to the anniversary date.

- (b) Notwithstanding (a), as a condition of continuing coverage beyond the age of twelve (12) months, an applicant who enrolls an AIM infant into the program after nine months of age shall provide the information necessary to determine the infant's eligibility for ongoing coverage after the age of twelve (12) months at the time of enrollment.
- (c) If subscribers for whom an applicant has applied have different anniversary dates, the annual eligibility review will be based on the anniversary date of the last subscriber to be enrolled, except as described in Subsection 2699.6631(f).
- (d) To requalify, an applicant must provide to the program all of the following information which is required to reestablish eligibility: the applicant's name and account number as stated on their billing statement; name and address of each enrolled person, documentation of gross income of each enrolled person's household as described in Subsection 2699.6600(c)(1)(K), documentation of court ordered child support, and/or alimony paid, and child care and/or disabled dependent care expenses paid in order to determine income deductions as described in Subsection 2699.6600(c)(1)(L), an indication of any pregnant family member living in the home and her expected due date, and a statement indicating which person(s) is currently enrolled in an employer sponsored health insurance plan. To avoid a break in coverage, all required information must be submitted at least ten (10) calendar days before the end of the month in which the anniversary date falls.
- (e) Continued eligibility will be determined pursuant to Sections 2699.6607 and 2699.6611(a)(2).
- (f) Unless disenrolled pursuant to Section 2699.6611, persons shall continue to be considered eligible for the program for one year from the effective date of coverage, or if a later annual eligibility review date is established under (c), until that date.

NOTE: Authority cited: Section 12693.21, Insurance Code.

Reference: Sections 12693.21, and 12693.74, Insurance Code.