

**H-580 LaCHIP AFFORDABLE PLAN****H-581 GENERAL INFORMATION**

Effective June 1, 2008, Louisiana Medicaid implemented an expansion of the State Child Health Insurance Program (SCHIP) to provide health assistance to uninsured children with family income too high to qualify for regular LaCHIP, but equal to or less than 250% of the Federal Poverty Level (FPL). LaCHIP Affordable Plan (LAP) is a separate state SCHIP Program and different from the LaCHIP program.

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LAP is a cost-sharing program with a monthly premium of \$50 per household, regardless of the number of certifications per household due to multiple income units. A household which has at least one eligible child verified as a member of a federally recognized American Indian or Alaskan native tribe will pay no premium.

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A LaCHIP Affordable Plan child is one who;

- Is under age nineteen (19),
- Is not income eligible for regular LaCHIP,
- Has gross family income that does not exceed 250% FPL,
- Does not have other insurance or access to the State Employees Health Plan,
- Has been determined eligible for child health assistance under the State Child Health Insurance Plan,
- Custodial parent has not \*\* voluntarily dropped the child(ren) from employer sponsored insurance within last 12 months without good cause.

Good cause exceptions to the 12-month waiting period for dropping employer sponsored insurance:

- Lost insurance due to divorce or death of parent.

- Lifetime maximum reached.
- COBRA coverage ends (up to 18 months).
- Insurance ended due to lay-off or business closure.
- Changed jobs; new employer does not offer dependent coverage.
- Employer no longer provides dependent coverage.
- Monthly family premium exceeds 10% of gross income.

## **H-585 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-585.1 Determine Assistance\*\* Unit**

The assistance\*\* unit consists of the child(ren) under age nineteen (19).

### **H-585.2 Establish Categorical Requirement**

Each eligible child must be under age 19.

### **H-585.3 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](#)
- Access to State Employer Health Insurance Plan
- Employer sponsored insurance not voluntarily dropped during previous twelve (12) months.

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## H-585.4 Establish Need

### A. Determine Composition of the Income Unit

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

- Child(ren) under age 19 for whom assistance is requested,
- MUM's child,
- Siblings not excluded, and
- Parents (legal or natural).

**Note:**

Include sanctioned individuals in the income unit and \*\* in the household size for the income \*\* limit.

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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. Unborns are not included.

Refer to [H-100.3](#), Assistance\*\* Unit - Optional Exclusions, for persons living in the home who may be optionally excluded.

### B. Determine Need/Countable Income

Income deductions or exclusions are not allowed for LAP.

- Step 1. Determine that the child is income ineligible for regular LaCHIP.
- Step 2. Determine the income unit.
- Step 3. Determine total gross earnings for each member of the income unit.
- Step 4. Total the gross earned income.
- Step 5. Determine total gross unearned income for each member of the income unit.
- Step 6. Add gross earned and unearned income of all members of the income unit to determine total income.
- Step 7. Compare the total gross income to the appropriate income \*\* limit for the income unit size. Refer to [Z-200 Chart](#).

#### **H-585.5 Eligibility Decision**

Evaluate all eligibility requirements and verifications received to make the \*\* eligibility decision (e.g. reject/close, certify, or extend eligibility).

The parent/guardian of the household needs to be informed of the \$50 monthly premiums before the LAP certification can be completed. A verbal statement or a completed LAP Questionnaire documents acceptance of enrollment in the program.

#### **H-585.6 Certification Period**

The certification period shall not exceed twelve (12) months. Eligibility will always begin on the first of the month after the eligibility determination has been completed.

Retroactive coverage is not available. Please see the [Premium-Based Programs](#) chapter in the Procedures Manual for protocol on requesting a retroactive start date because of an agency error.

Twelve months of continuous eligibility does not apply when it is discovered that an enrollee has obtained creditable health insurance or has failed to pay the monthly premium.

**H-585.7 Notice of Decision**

Send the notice of decision to the applicant/enrollee. LAP Approval Notices are not automatically generated.

**H-585.8 Premiums**

Premiums will be collected by the \*\* Office of Group Benefits (OGB). OGB anticipates the receipt of the first premium once the certification is placed on MEDS. Benefits do not begin until the first premium payment has been received.

Premiums are due by the 10<sup>th</sup> day of the month. The initial premium invoice will be included with the approval notice. Subsequent billing will be done by \*\* OGB. Advance notice of closure will be system generated if premium is not received by the 10<sup>th</sup> day of the month.

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