

ELIMINATION OF MEDICAID ASSET TEST - OTHER STATES' ACTIONS

Section 1115 of Title XI of the Social Security Act allows states to develop demonstration projects to provide innovative methods to expand children's coverage, promote participation in Medicaid or the state children's health insurance program (CHIP), and improve the scope and quality of services available to children. The schedule attached as an appendix shows state pending and approved Section 1115 waiver projects. Guidelines issued by the Centers for Medicare and Medicaid Services (CMS), formerly known as the Health Care Financing Administration, provide that in order to qualify for a Section 1115 demonstration waiver, a state must have operated its CHIP program for at least one year, have submitted all the required enrollment reports and evaluations, offer its program statewide, and have open enrollment with no waiting lists.

A state must also:

- Provide coverage for children up to age 19 with family incomes up to at least 200 percent of the federal poverty level.
- Offer coverage to low-income individuals in the group targeted by the waiver before covering the higher-income individuals in the group. A state may not cover any population group at a higher federal poverty level than the level for targeted low-income children.
- Demonstrate that its application and redetermination process for CHIP and Medicaid promotes enrollment and retention of eligible children. For demonstrations that seek to

cover populations other than targeted low-income children, the state must show that it has adopted at least three of the following five policies and procedures in its CHIP and Medicaid programs:

Use a joint, mail-in application and a common application procedure (e.g., the same verification and interview requirements for CHIP and Medicaid).

Eliminate asset tests for eligibility determination.

Provide continuous 12-month eligibility.

Offer presumptive eligibility for children.

Have simplified coverage renewal procedures that allow the establishment of continuing eligibility via mail and, if the state operates a separate CHIP program, provide for seamless transitions between Medicaid and CHIP when a child's eligibility status changes.

A January 2001 report by the National Conference of State Legislatures entitled *Exploring a New Option: Section 1115 Demonstration Waivers Under the State Children's Health Insurance Program* contains the following schedule which shows, for the 38 states and jurisdictions that as of September 30, 2000, provided CHIP coverage to children at or above 200 percent of the federal poverty level, the progress made by each state in meeting the mandatory criteria established by CMS for Section 1115 waiver eligibility.

State/Jurisdiction	Joint Application	Elimination of Asset Test	12-Month Eligibility	Presumptive Eligibility	Simplified Procedures for Redetermination
Alabama	Yes	Yes	Yes	No	Yes
Alaska	Yes	Yes	No	No	Yes
Arizona	Yes	Yes	Yes	No	Yes
Arkansas	Yes	No	No	No	No
California**	Yes	Yes	Yes	No	Yes
Connecticut	Yes	Yes	Yes	No	Yes
Delaware	Yes	Yes	Yes	No	Yes
District of Columbia	Yes	Yes	Yes	No	Yes
Florida	Yes	Yes	No	No	Yes
Georgia	Yes	Yes	No	No	Yes
Hawaii	Yes	Yes	No	No	Yes
Indiana	Yes	Yes	Yes	No	Yes
Iowa ¹	Yes	Yes	Yes	No	Yes
Kansas	Yes	Yes	Yes	No	Yes
Kentucky ²	Yes	Yes	No	Yes	Yes
Maine ³	Yes	Yes	No	Yes	Yes
Maryland	No	Yes	No	No	Yes
Massachusetts	Yes	Yes	No	Yes	Yes

State/Jurisdiction	Joint Application	Elimination of Asset Test	12-Month Eligibility	Presumptive Eligibility	Simplified Procedures for Redetermination
Michigan ⁴	Yes	Yes	Yes	Yes	Yes
Minnesota ⁵ **	Yes	Yes	Yes	No	Yes
Mississippi	Yes	Yes	Yes	No	Yes
Missouri	Yes	Yes	No	No	Yes
Nevada	No	Yes	Yes	No	Yes
New Hampshire ⁶	Yes	Yes	No	Yes	Yes
New Jersey*	Yes	Yes	Yes	Yes	Yes
New Mexico*/**	Yes	Yes	Yes	Yes	Yes
New York	Yes	Yes	Yes	Yes	Yes
North Carolina	Yes	Yes	Yes	No	Yes
Ohio ⁷ **	Yes	Yes	No	No	Yes
Pennsylvania	Yes	Yes	Yes	No	Yes
Rhode Island*/**	Yes	Yes	No	No	Yes
South Dakota ⁸	No	Yes	No	No	Yes
Texas	Yes	No	Yes	No	No
Utah	Yes	Yes	Yes	No	Yes
Vermont	Yes	Yes	No	No	Yes
Washington	Yes	Yes	Yes	No	Yes
West Virginia	Yes	Yes	Yes	No	Yes
Wisconsin ⁹ *	Yes	Yes	No	No	Yes
Total (38 states)	35	36	22	8	36

¹ **Iowa** - In Iowa, children up to age 6 are covered up to 200 percent of the federal poverty level and children older than age 6 are covered up to 185 percent of the federal poverty level.

² **Kentucky** - In Kentucky, presumptive eligibility is allowed in the state's CHIP plan but has not been implemented.

³ **Maine** - Maine offers presumptive eligibility under its Medicaid expansion and state-designed program for pregnant women.

⁴ **Michigan** - Michigan's CHIP plan allows for presumptive eligibility, but it has not been implemented.

⁵ **Minnesota** - Minnesota covers children from birth to age 2 in a Medicaid expansion plan. Continuous eligibility is provided for 24 months.

⁶ **New Hampshire** - New Hampshire provides presumptive eligibility for infants from birth to age 1 under a Medicaid expansion program.

⁷ **Ohio** - In Ohio, children up to age 6 are covered up to 200 percent of the federal poverty level and children older than age 6 are covered up to 150 percent of the federal poverty level.

⁸ **South Dakota** - In South Dakota, children up to age 6 are covered up to 200 percent of the federal poverty level in a state-designed program and children above age 6 are covered up to 140 percent of the federal poverty level in a Medicaid expansion program.

⁹ **Wisconsin** - Wisconsin covers children up to 185 percent of the federal poverty level, but allows them to stay in the program until they surpass 200 percent of the federal poverty level.

*Approved Section 1115 waiver, as of May 1, 2001.

**Pending Section 1115 waiver application, as of May 1, 2001.

ATTACH:1