

CABINET FOR HEALTH AND FAMILY SERVICES

Department for Medicaid Services

Division of Policy and Operations

(Amended at ARRS Committee)

907 KAR 4:020. Kentucky Children's Health Insurance Program Medicaid Expansion Title XXI of the Social Security Act.

RELATES TO: KRS 205.510-205.647, 205.6481-205.6497, 304.5-040, 304.17A-005(8), (14), 42 C.F.R. 432, 433, 435, 436, 440.230, 457, 42 U.S.C. 1396, 1396a, 1397aa-jj, 9902

STATUTORY AUTHORITY: KRS 194A.030(2), 194A.050(1), 205.520(3), 205.6485, 42 U.S.C. 1397aa-jj

NECESSITY, FUNCTION, AND CONFORMITY: KRS 194A.030(2) requires the Cabinet for Health and Family Services, Department for Medicaid Services, to administer Title XIX of the Federal Social Security Act, 42 U.S.C. 1396 through 1396v. KRS 194A.050(1) requires the secretary of the cabinet to promulgate administrative regulations necessary to protect, develop, and maintain the health, personal dignity, integrity, and sufficiency of the individual citizens of the commonwealth; to operate the programs and fulfill the responsibilities vested in the cabinet; and to implement programs mandated by federal law or to qualify for the receipt of federal funds. KRS 205.6485 requires the cabinet to establish the Kentucky Children's Health Insurance Program (KCHIP) to provide health care coverage and other coordinated health care services to children of the commonwealth who are uninsured and otherwise not eligible for health insurance coverage. This administrative regulation establishes the KCHIP eligibility criteria, covered services, application requirements, grievance and appeal rights for recipients, and the requirements for providers who wish to participate with the commonwealth to provide health care coverage to KCHIP members through an expansion of the Title XIX Medicaid Program.

Section 1. Definitions.

- (1) "Cabinet" means the Kentucky Cabinet for Health and Family Services or its designee.
- (2) "Child" means an individual under the age of nineteen (19) years.
- (3) "Creditable coverage" is defined by KRS 304.17A-005(8)(a)1 through 3 and 5 through 10.
- (4) "Department" means the Department for Medicaid Services or its designee.
- (5) "Excepted benefits" is defined by KRS 304.17A-005(14).
- (6) "Health insurance" is defined by KRS 304.5-040.
- (7) "KCHIP" means the Kentucky Children's Health Insurance Program administered in accordance with 42 U.S.C. 1397aa through jj.

Section 2. Eligibility Criteria.

- (1) A child shall be eligible for KCHIP if the child:
 - (a) Is a resident of Kentucky meeting the conditions for determining state residency under 42 C.F.R. 435.403;
 - (b) Is a noncitizen who meets the requirement established in 907 KAR 20:005;
 - (c) Meets the technical requirements of 907 KAR 20:005;
 - (d) Provides to the department the information required in Section 4 of this administrative regulation;
 - (e) Meets the continuing eligibility requirements established in 907 KAR 20:010, Section 2;
 - (f) Meets the relative responsibility requirements established in 907 KAR 20:040;
 - (g) Is not eligible for Medicaid pursuant to 907 KAR 20:005 or 907 KAR 20:100; and

- (h) Is an optional targeted low-income child as defined by 42 U.S.C. 1397jj(b) who:
1. Has family income that does not exceed 213 percent of the federal poverty guidelines updated annually in the Federal Register by the United States Department of Health and Human Services under authority of 42 U.S.C. 9902(2);
 2. Does not have creditable coverage and may be covered by excepted benefits; and
 3.
 - a. If an eligibility determination indicates that an individual's income exceeds 213 percent of the federal poverty level established annually by the United States Department of Health and Human Services pursuant to 42 U.S.C. 9902(2), the department shall apply an additional cushion of five (5) percent of the federal poverty level toward the eligibility determination for the individual as established pursuant to 42 U.S.C. 1396a(e)(14)(I)(i).
 - b. If after the five (5) percent adjustment, the individual's income is under the adjusted income threshold, the individual shall meet the modified adjusted gross income standard.

(2) Eligibility for KCHIP shall be determined by the department. Upon receipt of eligibility information established in subsection (1) of this section, the department shall determine if a child is eligible for benefits pursuant to 42 U.S.C. 1396 or 1397aa through jj.

Section 3. Covered Services.

- (1) Health services shall be considered medically necessary in accordance with:
 - (a) 907 KAR 3:130; and
 - (b) 42 C.F.R. 440.230.
- (2) Amount and duration of benefits covered by KCHIP shall be as established in Title 907 KAR.
- (3) A medical service shall be covered through KCHIP Phase II if an individual is determined eligible for KCHIP benefits in accordance with Section 2 of this administrative regulation.
- (4) Preventive and remedial public health services shall be provided to KCHIP Phase II members in accordance with 907 KAR 1:360.
- (5) KCHIP Phase II shall be the payor of last resort.

Section 4. KCHIP Application Requirements. The following information shall be required from a child or responsible party for KCHIP enrollment:

- (1) A child's demographics that shall include:
 - (a) Name;
 - (b) Address;
 - (c) Sex;
 - (d) Date of birth;
 - (e) Race; and
 - (f) Social Security number;
- (2) Monthly gross earned income, if any, of a parent and a recipient for whom information is being submitted;
- (3) An employer type and address, if any;
- (4) Frequency of income;
- (5) Name and address of a health insurance provider who currently provides creditable coverage;
- (6) Creditable coverage policy number, policy holder's name, Social Security number, and individuals covered by the plan;
- (7) Unearned income, if any, received weekly, biweekly, bimonthly, quarterly, or annually;

- (8) Name and age of a child or disabled adult for whom care is purchased in order for a parent or responsible person to work; and
- (9) Signature, date, and telephone number of a person submitting the information for a child.

Section 5. Provider Participation Requirements. A provider's enrollment, disclosure, and documentation for participation in KCHIP shall meet the requirements of:

- (1) 907 KAR 1:671; and
- (2) 907 KAR 1:672.

Section 6. Grievance, Hearing, and Appeal Rights.

(1) If dissatisfied with an action taken by the department as to the application of Sections 1 through 5 of this administrative regulation, a child, the child's parent, or the child's guardian shall be entitled to a grievance, hearing, or appeal with the department, to be conducted in accordance with:

- (a) 907 KAR 1:560, if pertaining to initial eligibility; or
- (b) 907 KAR 1:563, if pertaining to a covered service.

(2) If a service is provided by a managed care organization, a dispute resolution between a provider and a child, the child's parent, or the child's guardian shall be in accordance with 907 KAR 17:010.

(3) A KCHIP Phase II eligible child or a responsible party shall be informed in writing of the right to and procedures for due process by the cabinet:

- (a) At the time information to obtain KCHIP Phase II approval is submitted;
- (b) If there is a change in eligibility status; or
- (c) As required by federal and state laws.

Section 7. Quality Assurance and Utilization Review. The department shall evaluate the following on a continuing basis:

- (1) Access to services;
- (2) Continuity of care;
- (3) Health outcomes; and
- (4) Services arranged or provided as established in 907 KAR Chapter 17.

(26 Ky.R. 1055; 1425; eff. 1-12-2000; 29 Ky.R. 1143; 1658; eff. 12-18-2002; 43 Ky.R. 1077, 1774; eff. 5-5-2017; Cert eff. 12-6-2019; 49 Ky.R. 642, 1273; eff. 1-12-2023.)

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