



<b>Policy Memo</b>	
<b>KDHE-DHCF POLICY NO: PM2022-05-02</b>	<b>From: Erin Kelley, Senior Manager</b>
<b>Date: May 19, 2022</b>	<b>KFMAM Reference(s): 1423.12, 2411, 2440, 2442, 2450</b>
<b>RE: Increased CHIP Income Limits</b>	<b>Program(s): Family Medical Programs</b>

This memo provides instructions for implementation of an increase in CHIP income limits to 255% of the federal poverty level. The new income limits take effect July 1, 2022. Related manual references will be updated with the next scheduled revision.

Applicable to Family Medical Programs only:

- Medical Assistance Updates
- Special Processes
- Presumptive Eligibility
- Self-Service Portal Eligibility Check
- Premium Levels

## **I. APPLICABLE TO FAMILY MEDICAL PROGRAMS ONLY**

This change will increase the income limits for the CHIP program. The increase in CHIP income limits will change the allowable household gross monthly income from 250% of the 2008 federal poverty level (FPL) to 250% of the current FPL, or 255% including the mandatory 5% disregard. This will expand the current CHIP income range by 35% and increase the number of families who qualify for the CHIP program. Eligibility policies and processes for families with income who fall within 219-255%, will be identical to existing policies. This includes continuous eligibility (see KFMAM 2450), payment of outstanding premiums (see KFMAM 2442) and uninsured status (see KFMAM 2411). The Kansas Medical Assistance Standards (Appendix Item F-8 on the KDHE Eligibility Policy website) has been updated with the new standards. The updated form is included with this memo.

## **A. MEDICAL ASSISTANCE UPDATES**

The new income limits for the CHIP program have been updated in the KEES system and are effective for any determinations for the benefit month of July 2022 or later. The new levels will be loaded into KEES over the week of May 20, 2022. However, because the new levels are not effective until July 2022, the values and calculations will not be available for the worker executed EDBC until May 20, 2022, when the month of July 2022 is available. The values will be available for system executed EDBC occurring on or after this date.

## **B. SPECIAL PROCESSES**

Although no automatic updates were processed in the KEES system to implement the new CHIP income limits, other processes, such as the batch review process, will use the new income limits upon execution.

### **1. NEW APPLICATIONS**

New requests for coverage that fail CHIP eligibility due to excess income in June 2022 will require a second determination for the month of July 2022 if the initial determination placed the applicant within five (5%) percentage points of the applicable poverty level. The results of both determinations shall be documented in the journal. Please note that an EDBC for July may be required even though the EDBC for June was high dated.

Applications that may be processed as a renewal shall be completed using the new values. Special instructions are not necessary, while keeping in mind current COVID-19 policies outlined in [PD2020-03-01](#), [PD2021-02-01](#), [PM2020-04-01](#), [PM2020-11-01](#) and [PM2021-03-01](#).

### **2. RENEWALS**

Upon expiration of the COVID-19 Public Health Emergency (PHE) declaration, renewals expiring on or after July 2022 will use the new CHIP income limits. The outcome will be based on the new limits. It is not necessary to reprocess 'Super Passive' or 'Passive' Renewals unless there is a change reported that requires a new EDBC. All Pre-Populated Renewals will be processed using the new CHIP income limits, so special instructions are not necessary.

## **C. PRESUMPTIVE ELIGIBILITY**

The new income limits are also implemented for Presumptive Eligibility (PE) determinations. Income limits in the PE tool are adjusted beginning July 1, 2022. These limits will be used for any determination completed on or after this date. This information is

being shared with the PE Qualified Entities, but no additional action is necessary to implement the changes.

#### **D. SELF-SERVICE PORTAL ELIGIBILITY CHECK**

The high-level eligibility check feature available to the public will also be updated with the new CHIP income limits. The updates to the SSP will also be available to any screening executed on or after July 1, 2022. Consumers using the self-check feature prior to July 1 will be presented a result using the April 2022 FPL standards.

#### **E. PREMIUM LEVELS**

Upon implementation, the CHIP program will be expanded to include a higher premium amount for individuals whose countable income is equal to or greater than 167% of the poverty level but less than 250%. If the income is equal to or greater than 219% but less than 250% of the federal poverty level, a \$50.00 monthly premium is charged. The existing premium requirements for \$20.00 and \$30.00 premiums for incomes below 219% will remain unchanged. KFMAM 2440 has been updated to reflect this information.

<b><u>FPL Percentage</u></b>	<b><u>Premium Amount</u></b>
167%-191%	\$20.00
192%-218%	\$30.00
219%-255%*	\$50.00

\*Includes additional 5% for upper program limit

Due to the reinstatement of the \$50.00 premium bracket, it is expected that more CHIP households will indicate an inability to pay their monthly premium. If a household contacts KanCare and requests CHIP coverage be discontinued due to an inability to afford their monthly premium obligation, the CHIP coverage should be discontinued in the next available month. Timely notice is not required in this instance (see KFMAM 1423.12).

**NOTE:** The household is still required to pay any premiums charged prior to the discontinuance. See [PD2021-02-01](#) for premium exceptions related to the COVID-19 PHE.

## II. FORMS AND FACT SHEETS

### Forms:

F-8 [Kansas Medical Standards 7-22](#)

### Brochures:

KC-2110 Helpful Hints for Families and KC-2110S Spanish Version

### Fact Sheets:

FS-9 Medical Coverage for Children and FS-9S Spanish Version

## III. QUESTIONS

For questions or concerns related to this document, please contact the KDHE Medical Policy Staff at [KDHE.MedicaidEligibilityPolicy@ks.gov](mailto:KDHE.MedicaidEligibilityPolicy@ks.gov).

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Questions regarding any KEES issues are directed to the KEES Help Desk at [KEES.HelpDesk@ks.gov](mailto:KEES.HelpDesk@ks.gov).