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State/Territory Name: Colorado

State Plan Amendments (SPA) #: CO-17-0026

This file contains the following documents in the order listed:

3+Approval Letter

4+SPA Summary Form

5+Approved SPA Pages

6+Additional Attachments that are Part of the State Plan

The complete title XXI state plan for Colorado consists of the most recent state plan posted on Medicaid.gov under CHIP and State Plan Amendments. The link is provided below. The following approved templates are in addition to, or replace sections of the state's posted current state plan. The attached approval letter(s) explain how these templates fit into that state plan.

Link to state title XXI state plans and amendments: <http://medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Childrens-Health-Insurance-Program-CHIP/CHIP-State-Program-Information.html>

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S2-01-16
Baltimore, MD 21244-1850



Children and Adults Health Programs Group

OCT 05 2017

Gretchen Hammer
Medicaid Director
Colorado Department of Health Care Policy and Financing
Medicaid & Child Health Plan (CHP+)
1570 Grant Street
Denver, CO 80203-1818

Dear Ms. Hammer:

I am pleased to inform you that your title XXI Children's Health Insurance Program (CHIP) state plan amendment (SPA), CO-17-0026, submitted on August 28, 2017, has been approved. This SPA has an effective date of July 1, 2017.

Through this SPA, Colorado amends its previously approved Modified Adjusted Gross Income (MAGI) Methodology template. Colorado began using a methodology to annualize income types that frequently fluctuate, such as seasonal earned income, on January 1, 2016. The state received approval for the same type of amendment under Medicaid SPA, CO-16-0004, which was effective January 1, 2016. A copy of the approved CS15 state plan page is attached to be incorporated into the state's approved CHIP state plan. This page supersedes the previous CS15 that was approved on September 5, 2014.

Your title XXI project officer is Ms. Joyce Jordan. She is available to answer questions concerning this amendment and other CHIP-related issues. Ms. Jordan's contact information is as follows:

Centers for Medicare & Medicaid Services
Center for Medicaid and CHIP Services
Mail Stop: S2-01-16
7500 Security Boulevard
Baltimore, MD 21244-1850
Telephone: (410) 786-3413
E-mail: Joyce.Jordan@cms.hhs.gov

Official communications regarding program matters should be sent simultaneously to Ms. Jordan and to Mr. Richard Allen, Associate Regional Administrator (ARA) in our Denver Regional Office. Mr. Allen's address is:

Page 2 – Ms. Gretchen Hammer

Centers for Medicare & Medicaid Services
1961 Stout Street
Room 08-148
Denver, Colorado 80294

If you have additional questions, please contact Amy Lutzky, Director, Division of State Coverage Programs at (410) 786-0721.

We look forward to continuing to work with you and your staff.

Sincerely,

/ Anne Marie Costello /

Anne Marie Costello
Director

cc:
Richard Allen, ARA, CMS Region VIII, Denver

Control Panel

General Information

File Management

Tribal Input

Summary

Children's Health Insurance Program Eligibility: Summary Page

State/Territory Colorado

name:

Transmittal Number:

Please enter the Transmittal Number (TN) in the format ST-YY-0000 where ST= the state abbreviation, YY = the last two digits of the submission year, and 0000 = a four digit number with leading zeros. The dashes must also be entered.

CO-17-0026

Type of SPA:

- MAGI Eligibility & Methods
- XXI Medicaid Expansion
- Establish 2101(f) Group
- Eligibility Processing
- Non-Financial Eligibility

Proposed Effective Date

07/01/2017 (mm/dd/yyyy)

Federal Statute/Regulation Citation

42 CFR 435.603

Federal Budget Impact

- This SPA has a budget impact.

Total budget impact:

State Funds: \$

Federal Funds: \$

Subject of Amendment

Please provide a brief summary of SPA changes.

Character Count: 294 out of 2000

Updating the policy for annualized income for Child Health Plan Plus (CHP+) eligibility determinations when the person has income from self-employment, commission-based employment, and/or seasonal employment, and is found financially ineligible for CHP+ based upon their current monthly income.

Signature of State Agency Official

Submitted By: David DeNovellis

Last Revision Date: Sep 20, 2017

Date:

Submit Date: Aug 28, 2017

BACK

CONTINUE



CHIP Eligibility

State Name:

OMB Control Number: 0938-1148

Transmittal Number: CO - 17 - 0026

**Separate Child Health Insurance Program
MAGI-Based Income Methodologies** CS15

2102(b)(1)(B)(v) of the SSA and 42 CFR 457.315

The CHIP Agency will apply Modified Adjusted Gross Income methodologies for all separate CHIP covered groups, as described below, and consistent with 42 CFR 457.315 and 435.603(b) through (i).

In the case of determining ongoing eligibility for enrollees determined eligible for CHIP on or before December 31, 2013, MAGI-based income methodologies will not be applied until March 31, 2014 or the next regularly-scheduled renewal of eligibility, whichever is later.

If the state covers pregnant women, in determining family size for the eligibility determination of a pregnant woman, she is counted as herself plus each of the children she is expected to deliver.

In determining family size for the eligibility determination of the other individuals in a household that includes a pregnant woman:

- The pregnant woman is counted just as herself.
- The pregnant woman is counted just as herself, plus one.
- The pregnant woman is counted as herself, plus the number of children she is expected to deliver.

Financial eligibility is determined consistent with the following provisions:

When determining eligibility for new applicants, financial eligibility is based on current monthly income and family size.

When determining eligibility for current beneficiaries, financial eligibility is based on:

- Current monthly household income and family size.
- Projected annual household income for the remaining months of the current calendar year and family size.

In determining current monthly or projected annual household income, the state will use reasonable methods to:

- Include a prorated portion of the reasonably predictable increase in future income and/or family size.
- Account for a reasonably predictable decrease in future income and/or family size.

Except as provided at 42 CFR 457.315 and 435.603(d)(2) through (d)(4), household income is the sum of the MAGI-based income of every individual included in the individual's household.

Household income includes actually available cash support, exceeding nominal amounts, provided by the person claiming an individual described at §435.603(f)(2)(i) as a tax dependent.

The CHIP Agency certifies that it has submitted and received approval for the conversion for all separate CHIP covered group income standards to MAGI-equivalent standards.

An attachment is submitted.



CHIP Eligibility

PRA Disclosure Statement

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0938-1148. The time required to complete this information collection is estimated to average 50 hours per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. If you have comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: CMS, 7500 Security Boulevard, Attn: PRA Reports Clearance Officer, Mail Stop C4-26-05, Baltimore, Maryland 21244-1850.

V.20160722



COLORADO

Department of Health Care Policy & Financing

Department of Health Care Policy & Financing
1570 Grant Street
Denver, CO 80203

RE: SPA Attachment – CO 17-0026 CHIP

This attachment has been provided to further support Colorado's methodology for annualizing income under MAGI methodology.

When using the MAGI methodology for eligibility determinations, Colorado will employ a reasonable methodology when an applicant/beneficiary is found ineligible based upon their current monthly income, the applicant/beneficiary has income that the Department has identified as most likely to fluctuate, and the applicant/beneficiary has attested that for the upcoming year the annual amount from the income most likely to fluctuate is equal to or less than the annual amount from that income for the current year. At the time of implementation the Department has identified the following income types as most likely to fluctuate:

1. Self-employment
2. Seasonal Earned Income
3. Commission based Earned income

This reasonable methodology will use the self-attested annualized amount that the applicant/beneficiary provides for those incomes that the Department has identified as most likely to fluctuate. It will then convert that amount into an average monthly amount that will be combined with the current monthly incomes that the Department has not identified as most likely to fluctuate. This combined amount will be used to determine eligibility for the applicant/beneficiary.

If the applicant does not have income that the Department has identified as most likely to fluctuate, or the applicant has not self-attested an annualized amount for an income that is most likely to fluctuate, or the applicant has not attested that the annual amount for the upcoming year for an income that is most likely to fluctuate is equal to or less than the annual amount for the current year, the expected outcome is that the applicant/beneficiary is found ineligible based upon their current monthly income that individual will continue to be found ineligible.

Example:

Applicant/Beneficiary is single adult age 28 and applies in June

- Has commission based Earned income (which is one of the incomes that the Department has identified as most likely to fluctuate)
- Makes \$1,200 per month for January through May and September through December
- June through August makes \$1,600 per month
- Attests that annual income is \$15,600 ($(\$1,200 * 9 = \$10,800) + (\$1,600 * 3 = \$4,800) = \$15,600$)
- Attests that they expect the upcoming annual income from the commission based earned income will be equal to or less than the current year annual from that same source.



COLORADO
Department of Health Care
Policy & Financing

Department of Health Care Policy & Financing
1570 Grant Street
Denver, CO 80203

In June, the applicant would be found ineligible based off of the applicant's current monthly income of \$1,600, due to the 2016 income limit for the Adult MAGI program for a household of one is \$1,317. Since the applicant has income that the Department has identified as most likely to fluctuate and has provided an annual income amount for that fluctuating income and has attested that they expect that the annual income from this job for the upcoming year will be equal to or less than the annual amount for the current year, the Department will use that annual amount (for the current year) to calculate an average monthly amount for the applicant's Medicaid eligibility determination. The calculation of $\$15,600/12 = \$1,300$ (average monthly amount) would place the applicant's income under the threshold for Adult MAGI Medicaid and meet income eligibility criteria.