

**KENTUCKY TITLE XXI STATE PLAN  
FACT SHEET**

<b>Name of Plan:</b>	<b>Kentucky CHIP (KCHIP)</b>
<b>Date Plan Submitted:</b>	June 12, 1998
<b>Date Plan Approved:</b>	November 25, 1998
<b>Effective Date:</b>	July 1, 1998 for Medicaid expansion
<b>Effective Date:</b>	November 19, 1999 for separate CHIP
<b>Date Amendment #1 Submitted:</b>	June 4, 1999
<b>Date Amendment #1 Approved:</b>	September 3, 1999
<b>Date Amendment #1 Effective:</b>	July 1, 1999
<b>Date Amendment #2 Submitted:</b>	June 19, 2000
<b>Date Amendment #2 Approved:</b>	July 2, 2001
<b>Date Amendment #2 Effective:</b>	November 1, 1999
<b>Date Amendment #3 Submitted:</b>	August 28, 2001
<b>Date Amendment #3 Approved:</b>	November 26, 2001
<b>Date Amendment #3 Effective:</b>	June 1, 2001
<b>Date Amendment #4 Submitted:</b>	June 27, 2002
<b>Date Amendment #4 Approved:</b>	September 23, 2002
<b>Date Amendment #4 Effective:</b>	July 1, 2002
<b>Date Amendment #5 Submitted:</b>	September 24, 2002
<b>Date Amendment #5 Approved:</b>	December 17, 2002
<b>Date Amendment #5 Effective:</b>	August 1, 2002
<b>Date Amendment #6 Submitted:</b>	July 25, 2003
<b>Date Amendment #6 Approved:</b>	October 16, 2003
<b>Date Amendment #6 Effective:</b>	June 1, 2003
<b>Date Amendment #7 Submitted:</b>	October 29, 2003
<b>Date Amendment #7 Approved:</b>	January 16, 2004
<b>Date Amendment #7 Effective:</b>	November 1, 2003
<b>Date Amendment #8 Submitted:</b>	April 27, 2006
<b>Date Amendment #8 Approved:</b>	May 10, 2006
<b>Date Amendment #8 Effective:</b>	May 15, 2006
<b>Date Amendment #9 Submitted:</b>	November 1, 2008
<b>Date Amendment #9 Withdrawn:</b>	Withdrawn December 20, 2008
<b>Date Amendment #10 Submitted:</b>	December 10, 2008
<b>Date Amendment #10 Approved:</b>	April 21, 2009
<b>Date Amendment #10 Effective:</b>	November 1, 2008

**Date Amendment #11 Submitted:** September 7, 2010  
**Date Amendment #11 Approved:** October 21, 2010  
**Date Amendment #11 Effective:** July 1, 2010

**Date Amendment #12 Submitted:** December 28, 2010  
**Date Amendment#12 Approved:** February 24, 2011  
**Date Amendment #12 Effective:** October 1, 2010

## **Background**

- Kentucky's initial Medicaid expansion provided coverage for children ages 14 through 19 in families up to 100 percent of the Federal Poverty Level (FPL). Coverage was further expanded to children ages 1 to 19 in families up to 150 percent of the FPL.
- Children 0 to 19 years of age in families up to 200 percent of the FPL who are not otherwise eligible for Medicaid are enrolled in a separate child health program (KCHIP).

## **Amendments**

- Kentucky implemented its first amendment on July 1, 1999, expanding eligibility for its SCHIP Medicaid expansion to 150 percent of the FPL for children from birth to age 19.
- On June 19, 2000, Kentucky submitted its second amendment to change the service delivery mechanism by substituting the existing Medicaid infrastructure, and to create a separate child health program for children with family income between 150 and 200 percent of the FPL. Eligibility and health care services are provided through the existing Medicaid service delivery system. Cost sharing was deleted.
- On August 28, 2001, Kentucky submitted a third amendment to its title XXI plan to change the enrollment and recertification process in both the Medicaid expansion and separate child health programs. Beginning June 1, 2001, the Department for Medicaid Services (DMS) resumed requiring written verification of income and proof of child-care expenses with the KCHIP/Medicaid initial mail-in application. DMS also resumed face-to-face interviews and verification of income and expenses for recipients at the time of their KCHIP recertification. The amendment also updated the description of the State's service delivery model.
- On June 27, 2002, Kentucky submitted a fourth amendment that updates and amends the State plan to indicate the State's compliance with the final SCHIP regulations and to change the initial application and renewal processes.
- On September 24, 2002, Kentucky submitted a fifth amendment to charge 18-year olds a \$1 copayment for pharmacy prescriptions.
- On July 25, 2003, Kentucky submitted its sixth amendment to charge 18-year olds \$2 copayments for office visits to dentists (except for preventive dental visits), optometrists, opticians, audiologists, hearing aid dealers, chiropractors and podiatrists.

- On October 29, 2003, the State submitted its seventh amendment to impose premiums of \$20 per family per month for families with incomes from 151 through 200 percent of the FPL. In addition, the amendment revises KCHIP performance goals to increase consistency with available performance data, to make the goals more achievable given current performance in meeting the initial goals and to bring one performance goal in line with the State's "Healthy Kentuckian" initiative.
- On April 27, 2006, Kentucky submitted its eighth amendment to change benefits, cost-sharing requirements, and care delivery system for children with family income above 150 percent of the FPL up to 200 percent of the FPL. Kentucky removed coverage for inpatient and outpatient substance abuse services. Delivery of services for all children will be through a Medicaid managed care capitated system, except for those children living in Louisville and the surrounding counties who will remain enrolled in a Health Care Partnership, known as the Passport Health Care Plan. In addition to the current \$20 per month premium that families pay, cost sharing is added for all children in the form of copayments for prescription drugs, office visits and testing for allergy services, and non-emergency use of the emergency room. Total annual out-of-pocket expenses for medical costs and for pharmacy costs are capped at \$225 each for a total of \$450.
- On November 1, 2008, Kentucky submitted its ninth SCHIP amendment to simplify the enrollment process. Note: This amendment was withdrawn on December 20, 2008.
- On December 10, 2008, Kentucky submitted its tenth CHIP amendment to streamline its enrollment process by removing the requirement for a face-to-face interview for its KCHIP. The applicant may now apply through a mail-in application and there are many agencies available to assist families in determining what information is needed. The applications can be downloaded from the KCHIP website, by calling a toll-free number, or obtained at a variety of localities throughout the State including the local Department of Community Based Service (DCBS) Office, health departments, physician offices, primary care centers and hospitals. The SPA also adds a 30-day grace period for an enrollee to return the eligibility recertification form.
- The State submitted its eleventh CHIP amendment, on September 7, 2010, to eliminate the \$20 monthly premium charged to children enrolled in the State's separate CHIP.
- Kentucky submitted its twelfth CHIP amendment on December 28, 2010 to extend CHIP eligibility to children of employees of public agencies who are otherwise eligible under the State plan. The State will provide this coverage under the hardship exception to the exclusion of employees of a public agency of a State, in accordance with section 10203 of the Affordable Care Act of 2010. Through this expansion, Kentucky anticipates covering an addition 750 children under title XXI in FFY 2011.

### **Children Covered Under Program**

- The State reported that 79,380 children were ever enrolled in CHIP during FY 2010.

## **Administration**

- The Kentucky Department for Medicaid Services holds operational responsibility for both the Medicaid expansion and separate child health programs.

## **Health Care Delivery System**

- The service delivery system is the same as Medicaid. Medicaid and KCHIP beneficiaries are served through Medicaid managed care organizations in all of the State except the Louisville Region where beneficiaries are served by a Health Care Partnership, a managed care organization authorized through a section 1115 Medicaid waiver.

## **Benefit Package**

- KCHIP is a benchmark plus package that is based on the State Employees Health Benefits Plan with additional services that bring the package almost to the level of the Medicaid package with the exception of EPSDT, special services and non-emergency transportation.

## **Cost Sharing**

- Enrollees in the separate CHIP are subject to the following copayments: \$1, \$2, or \$3 for prescriptions, \$2 for office visits and testing for allergy services, and 5 percent of cost of service (co-insurance) for non-emergency use of the emergency room. There are no premiums.

## **State Action to Avoid Crowd Out**

- Applicants cannot be enrolled in KCHIP if they have had health insurance within the past 6 months, unless they met an exception as defined by the State. Exceptions include loss of employment due to factors other than voluntary termination, death of a parent, divorce when the child's coverage was provided by a non-parental adult, and change to employment that does not offer dependent coverage.

## **Coordination between CHIP and Medicaid**

- The local Department for Community Based Services (DCBS) offices provides eligibility determination for Medicaid, and KCHIP's enrollment process is blended with Medicaid.

## **Outreach Activities**

- The State has conducted media campaigns and outreach activities at schools, clinics, community centers, health fairs, health departments, and housing projects. Other coordination efforts include working with agencies that have contact with eligible populations, such as the Salvation Army, Head Start, food banks and local churches.

## **Financial Information**

Total FY 2011 CHIP Allotment -- \$130,697,119  
FFY 2011 Enhanced Federal Matching Rate – 80.04%

*Date Last Updated: CMS, CMSO, FCHPG, DSCHI, February 24, 2011*