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**State/Territory Name:** Montana

**State Plan Amendment (SPA) #:** MT-22-0026

This file contains the following documents in the order listed:

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


**Child and Adults Health Programs Group**

August 13, 2026

Rebecca de Camara
Medicaid and Health Services Executive Director
State Medicaid and CHIP Director
Montana Department of Public Health and Human Services
PO Box 4210
Helena, MT 59620

Dear Director de Camara:

Your Title XXI Children's Health Insurance Program (CHIP) State Plan Amendment (SPA) MT-22-0026, submitted September 19, 2022, with additional information submitted on July 9, 2026, has been approved. The effective date for this SPA is November 1, 2022.

Through MT-22-0026, Montana is removing all state-specific exceptions to the continuous eligibility (CE) period for children to be consistent with CHIP regulations at 42 CFR 457.432, which only permits certain federal exceptions to the CE period. The state also is transitioning to the current version of the CS27 state plan page template through this SPA. A copy of the approved CS27 is attached to be incorporated into the state's approved CHIP state plan.

Your Project Officer is Janice Adams. She is available to answer your questions concerning this amendment and other CHIP-related matters and can be reached at janice.adams@cms.hhs.gov.

If you have additional questions, please contact Mary Beth Hance, Director, Division of State Coverage Programs, at (410) 786-4299. We look forward to continuing to work with you and your staff.

Sincerely,
/Signed by Jessica Stephens/

Acting Director

**Montana CHIP SPA for Removing State Specific Exceptions to Continuous Eligibility**
~~09/08/2022~~11/01/2025

State/Territory: Montana
(Name of State/Territory)

As a condition for receipt of Federal funds under Title XXI of the Social Security Act, (42 CFR, 457.40(b)) _____ (Signature of Governor, or designee, of State/Territory, Date Signed)

submits the following Child Health Plan for the Children's Health Insurance Program and hereby agrees to administer the program in accordance with the provisions of the approved Child Health Plan, the requirements of Title XXI and XIX of the Act (as appropriate) and all applicable Federal regulations and other official issuances of the Department.

The following State officials are responsible for program administration and financial oversight (42 CFR 457.40(c)):

Name: Rebecca de Camara
Position/Title: Medicaid and Health Services Executive Director/State Medicaid and CHIP Director

Name: Mary LeMieux
Position/Title: Division Administrator, Health Resources Division Department of Public Health and Human Services

**1.4.** Provide the effective (date costs begin to be incurred) and implementation (date services begin to be provided) dates for this SPA (42 CFR 457.65). A SPA may only have one effective date, but provisions within the SPA may have different implementation dates that must be after the effective date.

~~**SPA number:** MT-22-0026~~

~~**Purpose of SPA:** The purpose of this SPA is to remove the state-specific exceptions to continuous eligibility as outlined in §457.342.~~

~~**Proposed effective date:** November 1, 2022~~
~~**Proposed implementation date:** November 1, 2022~~

SPA #22-0026 Purpose: The purpose of this SPA is to remove the state-specific exceptions to continuous eligibility as outlined in §457.342.

Implementation Date: November 1, 2022

**1.4- TC** **Tribal Consultation** (Section 2107(e)(1)(C)) Describe the consultation process that occurred specifically for the development and submission of this State Plan Amendment, when it occurred and who was involved.

This topic will be included in the next Medicaid and CHIP tribal consultation letter that was mailed on August 18, 2022.



**4.1.8** **☒ Duration of eligibility, not to exceed 12 months:**

Eligibility is re-determined every 12 months. Once a child is determined eligible, he or she remains eligible unless the child moves from the state, moves in-state and DPHHS is unable to locate the family, family initiates an application and is found eligible for the HMK Plus/children's Medicaid coverage group, ~~is found to have other creditable health insurance coverage~~, turns 19, dies, ~~becomes an inmate of a public institution,~~ or reapplies and the child is determined ineligible. Should a child become ineligible, DPHHS will send written notification of disenrollment ten days prior to the termination of program benefits.

Eligible children on the initial application will have the same 12 month continuous eligibility period. Children who enroll at a later date may receive less than 12 months of continuous eligibility during their first year of enrollment. DPHHS chose to add the new child to the existing eligibility period in order to synchronize the reapplication/renewal period for all children in the family. Without this policy, a family would be required to re-apply for coverage for various children in the family at multiple times throughout the year.

**4.4.1.** ☒ Only targeted low-income children who are ineligible for Medicaid or not covered under a group health plan or health insurance (including access to a State health benefits plan) are furnished child health assistance under the plan. (Sections 2102)(b)(3)(A), 2110(b)(2)(B)) (42 CFR 457.310(b), 42 CFR 457.350(a)(1) and 42 CFR 457.80(c)(3)) Confirm that the State does not apply a waiting period for pregnant women.

~~The application asks if a child applying for health coverage was covered by health insurance within the past three months. If the answer is yes and the coverage did not end due to one of the allowable exceptions, the child is not eligible for enrollment until the three-month uninsured period passes.~~

Montana's high number of families living below 261% FPL and high rate of uninsured children, coupled with Montana's economy, are indicators that Montana's low-income children are uninsured because their parents are unable to afford dependent health insurance. More than 50% of Montana's employers are small employers (less than 50 employees) and most are unable to provide health insurance benefits for their employees.

The application asks the applicant to report any health insurance coverage. If the family reports creditable coverage as defined in section 2791 of the Public Health Service Act, the child is found ineligible. ~~The TPA Contractor, Blue Cross Blue Shield of Montana (BCBSMT) is the largest health insurance carrier in Montana and is required contractually to notify DPHHS whenever they have reason to believe an enrollee has other coverage. DPHHS staff will investigate and if the child has other creditable insurance coverage, coverage will end.~~

**9.10** Provide a 1-year projected budget. A suggested financial form for the budget is below. The budget must describe: (Section 2107(d)) (42CFR 457.140)

- Planned use of funds, including:
- Projected amount to be spent on health services;
- Projected amount to be spent on administrative costs, such as outreach, child health initiatives, and evaluation; and
- Assumptions on which the budget is based, including cost per child and expected enrollment.
- Projected expenditures for the separate child health plan, including but not limited to expenditures for targeted low income children, the optional coverage of the unborn, lawfully residing eligibles, dental services, etc.
- All cost sharing, benefit, payment, and eligibility need to be reflected in the budget.
- Projected sources of non-Federal plan expenditures, including any requirements for cost-sharing by enrollees.
- Include a separate budget line to indicate the cost of providing coverage to pregnant women.
- States must include a separate budget line item to indicate the cost of providing coverage to premium assistance children.
- Include a separate budget line to indicate the cost of providing dental-only supplemental coverage.
- Include a separate budget line to indicate the cost of implementing Express Lane Eligibility.
- Provide a 1-year projected budget for all targeted low-income children covered under the state plan using the attached form. Additionally, provide the following:
    - Total 1-year cost of adding prenatal coverage
    - Estimate of unborn children covered in year 1

**CHIP Budget**

| **STATE:** | **FFY Budget** |
|---|---|
| **Federal Fiscal Year 2023** | |
| State's enhanced FMAP rate | **79.22%**~~**75.55%**~~ |
| | |

| | |
|---|---|
| **Benefit Costs** | |
| Insurance payments | |
| Managed care | 0 |
| per member/per month rate | |
| Fee for Service | 103,601,123 |
| Health Services Initiatives | |
| **Cost of Proposed SPA changes** | -617,418 ~~1,710~~ |
| **Total Benefit Costs** | **104,218,541 ~~103,602,833~~** |
| (Offsetting beneficiary cost sharing payments) | 0 |
| **Net Benefit Costs** | **104,218,541 ~~103,602,833~~** |
| | |
| **Administration Costs** | |
| Personnel | 192,868 |
| General administration | 48,725 |
| Contractors/Brokers | 0 |
| Claims Processing | 1,587,627 |
| Outreach/marketing costs | 0 |
| Other (e.g., indirect costs) | 4,158,382 |
| **Total Administration Costs** | **5,987,602** |
| 10% Administrative Cap | 11,579,838~~11,511,426~~ |
| | |
| Federal Share | 87,305,306~~82,662,775~~ |
| State Share | 22,900,836~~26,925,950~~ |
| Total Costs of Approved CHIP Plan | **110,206,142~~109,590,435~~** |
| **NOTE: Include the costs associated with the current SPA.**<br><br>**The Source of State Share Funds:** General Fund and State Special Revenue Funds (see Funding, below) | |

# CHIP Eligibility

State Name: Montana

OMB Control Number: 0938-1148

Transmittal Number: MT - 22 - 0026

## Separate Child Health Insurance Program
## General Eligibility - Continuous Eligibility

**CS27**

2107(e)(1)(K) of the SSA and 42 CFR 457.342 and 435.926; 2107(e)(1)(J) and 1902(e)(16) of the SSA

Mandatory 12-Month Postpartum Continuous Eligibility in CHIP for States Electing This Option in Medicaid

At state option in Medicaid, states may elect to provide continuous eligibility for an individual's 12-month postpartum period consistent with section 1902(e)(16) of the SSA. If elected under Medicaid, states are required to provide the same continuous eligibility and extended postpartum period for pregnant individuals in its separate CHIP. A separate CHIP cannot implement this option if not also elected under the Medicaid state plan.

State elected the Medicaid option to provide continuous eligibility through the 12- month postpartum period: Yes

☒ The state assures the extended postpartum period available to pregnant targeted low-income children or targeted low-income pregnant women under section 2107(e)(1)(J) of the SSA is provided consistent with the following provisions:

- ☒ Individuals who, while pregnant, were eligible and received services under the state child health plan or waiver shall remain eligible throughout the duration of the pregnancy (including any period of retroactive eligibility) and the 12-month postpartum period, beginning on the day the pregnancy ends and ending on the last day of the 12th month consistent with paragraphs (5) and (16) of section 1902(e) of the SSA

☒ Continuous eligibility is provided to targeted low-income children who are pregnant or targeted low-income pregnant women (if applicable) who are eligible for and enrolled under the state child health plan through the end of the 12-month postpartum period who would otherwise lose eligibility because of a change in circumstances, unless:

- ■ The individual or representative requests voluntary disenrollment.
- ■ The individual is no longer a resident of the state.
- ■ The Agency determines that eligibility was erroneously granted at the most recent determination or renewal of eligibility because of Agency error or fraud, abuse, or perjury attributed to the individual.
- ■ The individual dies.

Unlike continuous eligibility for children, states providing the 12-month postpartum period may not end an individual's continuous eligibility due to becoming eligible for Medicaid.

- ☒ Consistent with section 2107(e)(1)(J) of the SSA, the state assures that continuous eligibility is provided through an individual's pregnancy and 12-month postpartum period regardless of an individual becoming eligible for Medicaid.

☒ Benefits provided during the 12-month postpartum period must be the same scope of comprehensive services consistent with the benefit package elected by the state under section 2103(a) of the SSA that is available to targeted low-income children and/or targeted low-income pregnant women and may include additional benefits as described in Section 6 of the CHIP state plan.

# CHIP Eligibility

Mandatory Continuous Eligibility for Children

The CHIP Agency must provide that children who have been determined eligible under the state plan shall remain eligible, regardless of any changes in the family's circumstances, for a 12-month continuous eligibility period.

☒ Consistent with section 2107(e)(1)(K) of the SSA, the state assures that continuous eligibility is provided to its targeted low-income children for a duration of 12 months, regardless of any changes in circumstances, unless:

- ■ The child attains age 19.
- ■ The child or child's representative requests voluntary disenrollment.
- ■ The child is no longer a resident of the state.
- ■ The Agency determines that eligibility was erroneously granted at the most recent determination or renewal of eligibility because of Agency error or fraud, abuse, or perjury attributed to child or child's representative.
- ■ The child dies.
- ■ The child becomes eligible for Medicaid.

The state elects to provide coverage to the from-conception-to-end-of-pregnancy (FCEP) population (otherwise known as the "unborn"). No

## PRA Disclosure Statement



V.20240322