

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
7500 Security Boulevard, Mail Stop: S2-26-12  
Baltimore, Maryland 21244-1850



**Children and Adults Health Programs Group**

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August 8, 2014

Toby Douglas  
Director  
California Department of Health Care Services  
1501 Capitol Avenue, MS0000  
P.O. Box 997413  
Sacramento, CA 95899-7413

Dear Mr. Douglas:

Thank you for your Modified Adjusted Gross Income (MAGI) Children's Health Insurance Program (CHIP) state plan amendment (SPA) CA-14-0001, submitted on June 3, 2014. As you are aware, your SPA is undergoing review by the Centers for Medicare & Medicaid Services (CMS). In order to proceed with the review of CA-14-0001, we find it necessary to seek additional information. Our key questions relate to eligibility standards and methodologies for targeted low-income children as described at Section 2102(b) of the Social Security Act (the Act).

The enclosure explains the areas of the proposal that require additional information and clarification. In addition to the information requested at this time, CMS may have further questions as we proceed with our review of California's CHIP MAGI Eligibility SPA.

Under section 2106(c)(2) of the Act, CMS must approve, disapprove or request additional information on a proposed amendment to a title XXI state plan within 90 days. This letter constitutes our notification that specified additional information is needed in order to fully assess your amendment. The 90-day review period has been stopped by this request and will resume as soon as a complete and substantive response to all of the items in this letter is received.

Please send your responses electronically to Ms. Stacey Green, your project officer. Her contact information is as follows:

Centers for Medicare & Medicaid Services  
Center for Medicaid and CHIP Services  
7500 Security Boulevard, Mail Stop S2-01-16  
Baltimore, MD 21244-1850  
Telephone: (410) 786-6102  
Facsimile: (410) 786-5882  
E-mail: [Stacey.Green@cms.hhs.gov](mailto:Stacey.Green@cms.hhs.gov)

We appreciate the efforts of your staff, and share your goal of providing quality health care to low-income, uninsured children through title XXI. If you have questions or concerns regarding the matters raised in this letter, your staff may contact Stacey Green at (410) 786-6102. She will provide or arrange for any technical assistance that you may require. Thank you for your cooperation.

Sincerely,

ORIGINAL SIGNED

Kelly Whitener  
Director  
Division of State Coverage Programs

cc:

John Ramey

Ernesto Sanchez

Hye Sun Lee, Acting Associate Regional Administrator, CMS Region IX

## Enclosure

### Request for Additional Information regarding California MAGI CHIP SPA CA-14-0001

#### I. Tribal Input

- This section in the MMDL must be completed for each SPA submission. The state must enter a list of the entities with which it communicated for Tribal Consultation, provide relevant documentation (such as letters, meeting agendas, presentations, etc.), and note whether any comments were received (and, if any, the state's response).

#### II. Targeted Low-Income Children (CS7)

- The CS7 page applies to separate CHIP children from birth up to age 19. Are infants covered under the Access for Infants and Mothers (AIM) program covered statewide? We believe this is the only group that should be reflected on the statewide income eligibility table. Please delete the 0-19 age group from the table, and delete the sentence referring to the children in the county programs in the text box under the statewide income standard.
- The lower eligibility level ("Above (% FPL)") for AIM-linked infants should be the same as the upper income limit for the corresponding Medicaid eligibility category, without the 5 percent equivalent of the federal poverty level (FPL) income disregard. Therefore, please change the value in this field to 261.
- Because there is additional eligibility criteria for AIM linked infant eligibility, please enter a sentence in the explanation text box that refers the reader to the CS23 page.
- After the statewide income standard on the CS7 page there is an option to describe geographic variation. Please select "standard varies by county or city" and enter the county children's eligibility in that space. Please group counties with the same eligibility standard together and specify the ages and income limits (age 0-19, 261-317 percent of the FPL).
- Please clarify whether there is a county that has increased eligibility to 411 percent FPL (as converted to MAGI, formerly 400 percent FPL net)?
- In the section dealing with the special program for children with disabilities, is any of this program funded with title XXI allotment? Because this PDF page applies only to separate CHIP children, please include discussion only of the special program for children with disabilities that applies to the county programs and/or AIM-linked infants. If this whole program relates only to Medicaid expansion children (reflected on the CS3 page), then the discussion can be removed here and the state can answer "No" to having a special program.

**III. Coverage from Conception to Birth (CS9)**

- Is a pregnant teenager (under 19 years old) with family income below 261 percent FPL (or below 317 percent FPL in three counties) eligible for the AIM program? Does the state consider the AIM program to be a distinct eligibility group? If so, does the state have procedures to determine which order to apply the eligibility categories (Medicaid, CHIP, AIM) to pregnant teenagers? Do applicants (or the families on behalf of the applicant) have a choice of the eligibility category in which to enroll?

**IV. MAGI-Based Income Methodologies (CS15)**

- The item at the bottom of the first page in regard to “actually available cash support” requires a “Yes” or “No” answer. Does California include actually available and above-nominal cash support in household income? Please indicate on this page only as it relates to separate CHIP covered groups. Note that the response may be the same as it is in the Medicaid MAGI methods SPA.
- For our SPA records, we request that the state send a copy of the MAGI conversion approval letter and the MAGI conversion plan (the spreadsheet with FPL levels) – both in relation to part 1 of MAGI conversion. Please send this information in an email to your title XXI project officer.