



**OCT 18 2010**

Region 10  
2201 Sixth Avenue, MS/RX 43  
Seattle, Washington 98121

Richard Armstrong, Director  
Department of Health and Welfare  
Towers Building – Tenth Floor  
Post Office Box 83720  
Boise, Idaho 83720-0036

**RE: Idaho State Plan Amendment (SPA) Transmittal Number 10-003**

Dear Mr. Armstrong:

The Centers for Medicare & Medicaid Services (CMS) Seattle Regional Office has completed its review of State Plan Amendment (SPA) Transmittal Number 10-003. This amendment implements voluntary premiums for the optional Medicaid State plan population under Section 1902(e)(3) of the Social Security Act (Katie Beckett “TEFRA” children).

CMS has reviewed this SPA and related eligibility procedures to ensure they are not in violation of the maintenance of effort (MOE) requirements found at Section 5001(f)(1) of the American Recovery and Reinvestment Act of 2009 (Recovery Act), Public Law 111-5. According to this section of the Recovery Act, a State is not eligible for the increased FMAP if it adopts “eligibility standards, methodologies, or procedures” under its State plan or any waiver, that are more restrictive than those in effect on July 1, 2008.

As outlined in Idaho’s September 30, 2010, and October 4, 2010, correspondence to CMS, Idaho indicated that no one had lost eligibility due to these premiums. Also, Idaho agreed to clarify its eligibility procedures to ensure that families understand that these premiums are voluntary and that there are no negative consequences for failure to pay the premiums.

This SPA is approved effective March 1, 2010, as requested by the State.

If you have any additional questions or require any further assistance, please contact me, or have your staff contact Janice Adams at (206) 615-2541 or [Janice.Adams@cms.hhs.gov](mailto:Janice.Adams@cms.hhs.gov).

Sincerely,

Barbara K. Richards  
Associate Regional Administrator  
Division of Medicaid and Children’s Health  
Operations

cc: Leslie Clement, Administrator, Idaho Department of Health and Welfare

**TRANSMITTAL AND NOTICE OF APPROVAL OF  
STATE PLAN MATERIAL**

**FOR: HEALTH CARE FINANCING ADMINISTRATION**

**TO: REGIONAL ADMINISTRATOR  
HEALTH CARE FINANCING ADMINISTRATION  
DEPARTMENT OF HEALTH AND HUMAN SERVICES**

1. TRANSMITTAL NUMBER: **10-003**  
2. STATE: **IDAHO**  
3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)  
4. PROPOSED EFFECTIVE DATE: **March 1, 2010**

5. TYPE OF PLAN MATERIAL (Check One):  
 NEW STATE PLAN       AMENDMENT TO BE CONSIDERED AS NEW PLAN       AMENDMENT  
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)  
6. FEDERAL STATUTE/REGULATION CITATION:  
Section 6041 of the Deficit Reduction Act of 2005  
7. FEDERAL BUDGET IMPACT:  
FFY10: <\$460,833> (enhanced match)  
FFY11 & forward: <\$790,000> per annum (enhanced match)  
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:  
Attachment 4.18-F, pages 1-7  
9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): N/A

10. SUBJECT OF AMENDMENT:  
Parental Cost-Sharing for Optional Population ~~1902(3) Children~~ **1902(e)(3) Children (P&I)**

11. GOVERNOR'S REVIEW (Check One):  
 GOVERNOR'S OFFICE REPORTED NO COMMENT       OTHER, AS SPECIFIED:  
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED  
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL:  
13. TYPED NAME: **LESLIE M. CLEMENT**  
14. TITLE: **Administrator**  
15. DATE SUBMITTED: **3/12/10 3/15/10 (RS)**  
16. RETURN TO:  
Leslie M. Clement, Administrator  
Idaho Department of Health and Welfare  
Division of Medicaid  
PO Box 83720  
Boise ID 83720-0036

FOR REGIONAL OFFICE USE ONLY  
17. DATE RECEIVED: **MARCH 15 2010**  
18. DATE APPROVED: **OCT 18 2010**

PLAN APPROVED - ONE COPY ATTACHED  
19. EFFECTIVE DATE OF APPROVED MATERIAL: **MAR 01 2010**  
20. SIGNATURE OF REGIONAL OFFICIAL:

21. TYPED NAME: **Barbara K. Richards**  
22. TITLE: **Associate Regional Administrator**  
23. REMARKS: **4/08/2010 State authorized pen and ink change to box 10.**  
Division of Medicaid & Children's Health

Revision:  
June 2009

OMB Approved # 0938-0993  
Attachment 4.18-F  
Page 1

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State/Territory: Idaho

It should be noted that States can select one or more options in imposing cost-sharing (including co-payments, co-insurance, and deductibles) and premiums.

**A. For groups of individuals with family income above 100 percent but below 150 percent of the FPL:**

1. Cost Sharing
  - a. Amount of Cost Sharing

- i.   X   / No cost sharing is imposed.
- ii.    / Cost sharing is imposed under section 1916A of the Act as follows  
(specify the amounts by group and services (see below)):

Group of Individuals	Item/Service	<u>Type of Charge</u>			*Method of Determining Family Income (including monthly or quarterly period)
		Deductible	Coinsurance	Copayment	

\*Describe the methodology used to determine family income if it differs from your methodology for determining eligibility.

Attach a schedule of the cost-sharing amounts for specific items and services and the various eligibility groups.

TN No.   10-003    
Supersedes TN No.             
CMS-101090 (09/06)

Approval Date   OCT 18 2010    
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STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

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b. Limitations:

- The total aggregate amount of cost sharing and premiums imposed for all individuals in the family may not exceed 5 percent of the family income of the family involved, as applied on a monthly and quarterly basis as specified by the State above.
- Cost sharing with respect to any item or service may not exceed 10 percent of the cost of such item or service.

c. No cost sharing will be imposed for the services specified at section 1916A(b)(3) of the Act.

TN No. 10-003  
Supersedes TN No. \_\_\_\_\_  
**CMS-101090 (09/06)**

**OCT 18 2010**  
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STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State/Territory: Idaho

d. Enforcement

- i.  / Providers are permitted to require, as a condition for the provision of care, items, or services, the payment of any cost sharing.
- ii.  / (If above box selected) Providers are permitted to reduce or waive cost sharing on a case-by-case basis.
- iii.  / State payments to providers must be reduced by the amount of the beneficiary cost-sharing obligations, regardless of whether the provider successfully collects the cost-sharing.

2. Premiums

a. Amount of Premiums

- i. No premiums may be imposed for individuals with family income above 100 percent but below 150 percent of the FPL.

**B. For groups of individuals with family income above 150 percent of the FPL:**

1. Cost Sharing

a. Amount of Cost Sharing

- i.  / No cost sharing is imposed.
- ii.  / Cost sharing is imposed under section 1916A of the Act as follows (specify amounts by groups and services (see below)):

Group of Individuals	Item/Service	Type of Charge		*Method of Determining Family Income (including monthly or quarterly period)
		Deductible	Coinsurance Copayment	

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\*Describe the methodology used to determine family income if it differs from your methodology for determining eligibility.

Attach a copy of the schedule of the cost-sharing amounts for specific items and the various eligibility groups.

b. Limitations:

- The total aggregate amount of all cost sharing and premiums imposed for all individuals in the family may not exceed 5 percent of the family income of the family involved, as applied on a monthly or quarterly basis as specified by the State above.
- Cost sharing with respect to any item or service may not exceed 20 percent of the cost of such item or service.

c. No cost sharing shall be imposed for the services specified at section 1916A(b)(3) of the Act.

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STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State/Territory: Idaho

d. Enforcement

- i.  / Providers are permitted to require, as a condition for the provision of care, items, or services, the payment of any cost sharing.
- ii.  / (If above box selected) Providers are permitted to reduce or waive cost sharing on a case-by-case basis.
- iii.  / State payments to providers must be reduced by the amount of the beneficiary cost-sharing obligations, regardless of whether the provider successfully collects the cost-sharing.

2. Premiums

a. Amount of Premiums

- i.  / No premiums are imposed.
- ii.  / Premiums are imposed under section 1916A of the Act as follows (specify the premium amount by group and income level.

Group of Individuals	Premium	Method for Determining Family Income
Optional population 1902(e)(3) children	see below	(including monthly or quarterly period)

**In all cases, family income is calculated based on household size and gross annual income of the financially responsible adult or adults with which the child resides.**

Family income greater than 150% of FPG and less than or equal to 185% of FPG:

- Premium is \$15 per member per month with a family cap of \$30 per month.

Family income above 185% of FPG: Monthly premium per family calculated per the following chart.

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Family income greater than XXX% of FPG	Family income less than or equal to XXX% of FPG	Premium equal to X% of family income
185	250	1.0
250	300	1.5
300	400	2.0
400	500	2.5
500	600	3.0
600	700	3.5
700	800	4.0
800	900	4.5
900	No upper limit	5.0

**In all cases, the monthly premium is reduced by 25% if the family pays for private insurance coverage for the child.**

Attach a schedule of the premium amounts for the various eligibility groups. See above.

b. Limitation:

- The total aggregate amount of premiums and cost sharing imposed for all individuals in the family may not exceed 5 percent of the family income of the family involved, as applied on a monthly or quarterly basis as specified by the State above.

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- c. No premiums shall be imposed for the individuals specified at section 1916A(b)(3) of the Act.
- d. Enforcement
  - i.  / Prepayment required for the following groups of individuals who are applying for Medicaid:
  - ii.  / Eligibility terminated after failure to pay for 60 days for the following groups of individuals who are receiving Medicaid:
  - iii.  / Payment will be waived on case-by-case basis for undue hardship.

Premiums are **optional and voluntary**. There is no enforcement mechanism to collect a premium and a decision not to pay a premium will in no way affect eligibility for the Katie Beckett program nor will there be any repercussions such as sending non-paid premiums to a collection agency.

**C. Period of determining aggregate 5 percent cap**

Specify the period for which the 5 percent maximum would be applied.

/ Quarterly

/ Monthly

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**D. Method for tracking cost-sharing amounts**

Describe the State's process used for tracking cost-sharing and informing beneficiaries and providers of the beneficiary's liability and informing providers when an individual has reached his/her maximum so further costs are no longer charged.

Provider notification: N/A

Premiums and co-pays are set so that it is unlikely that cost-sharing will ever exceed the 5% cap. The monthly premium invoice instructs participants to contact the Department and provide documentation of out-of-pocket costs if they believe they have reached the threshold (the "shoe-box" method).

Premium collections are tracked and invoicing will be suppressed in the automated system for the remainder of the quarter if the 5% cap is exceeded.

Also describe the State's process for informing beneficiaries and providers of the allowable cost-sharing amounts.

Provider notification: N/A

The monthly premium invoice instructs participants to contact the Department and provide documentation of out-of-pocket costs if they believe they have reached the threshold (the "shoe-box" method).

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