

Section 1. General Description and Purpose of the State Child Health Plans and State Child Health Plan Requirements (Section 2101)

1.1 The state will use funds provided under Title XXI primarily for (Check appropriate box) (42 CFR 457.70):

1.1.1 Obtaining coverage that meets the requirements for a separate child health program (Section 2103); **OR**

1.1.2. Providing expanded benefits under the State’s Medicaid plan (Title XIX); **OR**

1.1.3. A combination of both of the above.

1.2 Please provide an assurance that expenditures for child health assistance will not be claimed prior to the time that the State has legislative authority to operate the State plan or plan amendment as approved by CMS. (42 CFR 457.40(d))

1.3 Please provide an assurance that the state complies with all applicable civil rights requirements, including title VI of the Civil Rights Act of 1964, title II of the Americans with Disabilities Act of 1990, section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, 45 CFR part 80, part 84, and part 91, and 28 CFR part 35. (42CFR 457.130)

1.4 Please provide the effective (date costs begin to be incurred) and implementation (date services begin to be provided) dates for this plan or plan amendment (42 CFR 457.65):

LaCHIP Phase I (Medicaid Expansion SCHIP for children 6-18 between 101- 133% FPL)

Date Plan Submitted: July 31, 1998
Date Plan Approved: October 20, 1998
Effective Date: November 1, 1998

LaCHIP Phase II (Medicaid Expansion SCHIP for children 0-18 between 134-150% FPL)

Date First Amendment Submitted: June 30, 1999
Effective Date of First Amendment: October 1, 1999

LaCHIP Phase III (Medicaid Expansion SCHIP for children 0-18 between 151-200% FPL)

Date Second Amendment Submitted: December 18, 2000
Date Second Amendment Approved: June 6, 2001

Effective Date of Second Amendment: January 1, 2001

Removal of Waiting Period in Medicaid Expansion SCHIP

Date Third Amendment Submitted: November 27, 2002

Date Third Amendment Approved: February 24, 2003

LaCHIP Phase IV (Creation of Separate SCHIP - Unborn child option)

Date Fourth Amendment Submitted: January 25, 2007

Date Fourth Amendment Approved: April 5, 2007

Effective Date of Fourth Amendment: April 1, 2007

LaCHIP Phase V (Separate SCHIP for children 0-18 between 201-250% FPL)

Effective Date of Fifth Amendment: April 1, 2008

Implementation Date of Fifth Amendment: May 1, 2008

Addition of Robert Wood Johnson Foundation Maximizing Enrollment for Children Grant Funds

The amount of the grant is \$999,926.00, and the grant period is from 2/15/2009 – 2/14/2013.

Effective Date of Sixth Amendment: February 15, 2009

Implementation Date of Sixth Amendment: February 15, 2009

Addition of Prospective Payment Methodology for FQHC's and RHC's LaCHIP Phase V

Effective Date of Seventh Amendment: July 1, 2010

Implementation Date of Seventh Amendment: July 1, 2010

Section 2. General Background and Description of State Approach to Child Health Coverage and Coordination (Section 2102 (a)(1)-(3) and (Section 2105)(c)(7)(A)-(B))

- 2.1. Describe the extent to which, and manner in which, children in the state, including targeted low-income children and other classes of children, by income level and other relevant factors, such as race and ethnicity and geographic location, currently have creditable health coverage (as defined in 42 CFR 457.10). To the extent feasible, make a distinction between creditable coverage under public health insurance programs and public-private partnerships (See Section 10 for annual report requirements). (42 CFR 457.80(a))

Phase I:

- 1) **On July 31, 1998, Louisiana submitted a proposal to implement a State Children's Health Insurance Program, which expanded Medicaid coverage to uninsured children who were at least six years of age but under 19 years of age in families with incomes at or below 133 percent of the federal poverty level (FPL).**

methods of delivery are the same as under Title XIX.

The methods of delivery for enrollees covered under the unborn option in LaCHIP Phase IV of the State's separate child health program will be the same as under Title XIX.

For LaCHIP Phase V, Louisiana provides health insurance benefits through a plan managed by the Louisiana Department of Health & Hospitals (DHH) with health benefits provided through a Third Party Administrator (TPA). Benefits and claims processing are administered by the State Employees Health Plan and eligibility is determined by DHH Medicaid/SCHIP eligibility staff. Upon determination of eligibility (and receipt of any applicable premium), the caseworker sends notification of eligibility to families and enters the enrollee's information into the Medicaid/SCHIP Eligibility Data System (MEDS), which electronically forwards Title XXI eligibility information to the TPA. The State Employees Health Plan then sends families information about the Plan of Benefits and processes claims.

Reimbursement to federally qualified health centers (FQHCs) and rural health clinics (RHCs) for Phase V is based on a prospective payment system (PPS) as required by section 503 of the Children's Health Insurance Program Reauthorization Act of 2009 (CHIPRA). The methodology is the same used by Medicaid and the payments will be made in the same manner as Medicaid payments are made. In accordance with this provision, the PPS methodology was implemented on May 19, 2010, for all qualifying services rendered on or after October 1, 2009.

- 3.2. Describe the utilization controls under the child health assistance provided under the plan for targeted low-income children. Describe the systems designed to ensure that enrollees receiving health care services under the state plan receive only appropriate and medically necessary health care consistent with the benefit package described in the approved state plan. (Section 2102)(a)(4) (42CFR 457.490(b))

Utilization control mechanisms are in place for the LaCHIP program to ensure that children use only health care that is appropriate, medically necessary, and/or approved by the State or the participating health plan. In addition, policies are in place to assure that necessary care is delivered in a cost-effective and efficient manner according to the vendors' medical necessity definition.

Before being approved for participation in the LaCHIP program, health plan vendors must develop and have in place utilization review policies and procedures, demand management, and disease state management mechanisms. Provider networks approved for the LaCHIP program are accepted based on evidence of the vendors' provider credentialing policies, provider accessibility, cost-effectiveness, and efficiency.

- 9.10. Provide a 1-year projected budget. A suggested financial form for the budget

is attached. 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 sources of non-Federal plan expenditures, including any requirements for cost sharing by enrollees.

SCHIP Budget Plan Template

	Federal Fiscal Year 2011 Costs
Enhanced FMAP rate	
Benefit Costs	
Insurance payments	
Managed care	
per member/per month rate @ # of eligibles	
Fee for Service*	\$234,441,202
Total Benefit Costs	\$234,441,202
(Offsetting beneficiary cost sharing payments)**	\$287,756
Net Benefit Costs	\$234,153,446
Administration Costs	
Personnel	\$3,457,331
General administration	\$7,999,349
Contractors/Brokers (e.g., enrollment contractors)	\$655,710
Claims Processing***	\$955,812
Outreach/marketing costs	\$2,211,988
Other (e.g., indirect costs)	\$0
Health Services Initiatives	\$0
Total Administration Costs	\$15,320,190
10% Administrative Cost Ceiling	\$26,017,050
Federal Title XXI Share	\$185,932,701
State Share	\$63,540,935
TOTAL PROGRAM COSTS	\$249,473,636

Note: The Federal Fiscal Year (FFY) runs from October 1st through September 30th.

*Based on 130,332 total eligible children at per member per month cost of \$150 for 0-200% FPL group

**Projected source of non-Federal plan expenditures; based on 3,790 eligibles at \$50 per family per month premium cost

***Based on claims processing contracts costing approximately \$1M