

## **MASSACHUSETTS TITLE XXI PROGRAM FACT SHEET**

<b>Name of Plan:</b>	<b>MassHealth</b>
<b>Date State Plan Submitted:</b>	January 12, 1998
<b>Date State Plan Approved:</b>	May 29, 1998
<b>Date State Plan Effective:</b>	October 1, 1997
<b>Date Amendment #1 Submitted:</b>	October 16, 2001
<b>Date Amendment #1 Approved:</b>	March 22, 2002
<b>Date Amendment #1 Effective:</b>	January 1, 2002
<b>Date Amendment #2 Submitted:</b>	June 26, 2002
<b>Date Amendment #2 Approved:</b>	September 19, 2002
<b>Date Amendment #3 Submitted:</b>	April 8, 2003
<b>Date Amendment #3 Approved:</b>	June 23, 2003
<b>Date Amendment #3 Effective:</b>	March 1, 2003
<b>Date Amendment #4 Submitted:</b>	April 24, 2003
<b>Date Amendment #4 Approved:</b>	September 15, 2003
<b>Date Amendment #4 Effective:</b>	November 1, 2002
<b>Date Amendment #5 Submitted:</b>	May 2, 2006
<b>Date Amendment #5 Approved:</b>	July 20, 2006
<b>Date Amendment #5 Effective:</b>	July 1, 2006

### **Background**

- On January 12, 1998, Massachusetts submitted its Children's Health Insurance Program (CHIP) State plan to expand children's access to health coverage by expanding Medicaid eligibility to children in families with incomes up to 150 percent of the Federal Poverty Level (FPL); and, by creating a separate child health program for children in families with incomes between 150 and 200 percent of the FPL. The separate child health program, the Family Assistance Plan, includes both a direct coverage component and a premium assistance program to enable families to participate in their employer-sponsored insurance coverage.
- Effective November 1, 2002, the separate child health program expanded to include coverage for unborn children up 225 percent FPL. The state implemented the program only up to including 200 percent FPL.
- Effective July 1, 2006, Massachusetts expanded eligibility up to 300 percent FPL in their separate child health program.

## **Amendments**

- On October 16, 2001, Massachusetts submitted a CHIP amendment to change the type of health benefits coverage offered for the CHIP premium assistance program from the benchmark of the HMO with the largest insured commercial enrollment to Secretary-approved coverage. This Secretary-approved coverage is the comprehensive coverage approved for children in the State's Medicaid section 1115 demonstration for premium assistance.
- Massachusetts submitted its second amendment on June 28, 2002, to update and amend the CHIP State plan to indicate the State's compliance with the final SCHIP regulations.
- On April 8, 2003, Massachusetts submitted its third state plan amendment to increase cost sharing in MassHealth. MassHealth Family Assistance premiums increased for families with income from 150 to 200 percent of the FPL from \$10 to \$12 per child per month with the family maximum increasing from \$30 to \$36 per month. The State also implemented premiums for children determined presumptively eligible for MassHealth Family Assistance (separate child health program) and for MassHealth CommonHealth (disabled children) enrollees. The monthly premiums for CommonHealth members range from \$15 to \$35.
- On April 24, 2003, Massachusetts submitted its fourth state plan amendment that expands coverage (MassHealth Healthy Start) to unborn children of pregnant women up to including 225 percent of the Federal Poverty Level (FPL) who are not otherwise eligible for Medicaid. However, the program was only implemented up to including 200 percent FPL.
- On May 2, 2006, Massachusetts submitted its fifth state plan amendment that expands coverage up to and including 300 percent of the Federal Poverty Level (FPL). Children between 200 and 300 percent FPL may be subject to a waiting period of up to six months if they dropped employer-sponsored insurance within the previous six months. Monthly premiums are assessed for this population as follows: 200.1 to 250.0 percent FPL, \$20 per child with a \$60 family maximum per month; 250.1 to 300.0 percent FPL, \$28 per child with an \$84 family maximum per month.

## **Children Covered Under the Program**

- The State reported that 200,950 children were ever enrolled in its program during Federal Fiscal Year 2008.

## **Administration**

- The Division of Medical Assistance (DMA) administers the plan.

## **Health Care Delivery System**

- Health care services will be provided through the State's existing Medicaid managed care delivery network, which consists of: (1) a primary care case management program; (2) Health Maintenance Organizations; and, (3) a mental health and substance abuse managed care contract. Certain services also are provided on a fee-for-service basis and some children receive services through School-Based Health Centers.
- Participants in the Family Assistance premium assistance program obtain services through contractual arrangements with employer-sponsored insurance (ESI) plans.

## **Benefit Package**

- Children enrolled in the State's CHIP Medicaid expansion program receive the Medicaid benefit package.
- Direct coverage enrollees receive the benchmark benefits coverage (HMO with the largest commercial enrollment in the State).
- Under the premium assistance program, service delivery and access is limited to the terms and contractual arrangements of the family's ESI, which must meet the basic benefit level as approved by the Secretary under the State's Medicaid section 1115 demonstration.
- MassHealth Healthy Start enrollees receive the Basic Benefit Level, as approved by the Secretary under the Massachusetts 1115 section Medicaid demonstration project.

## **Cost Sharing**

- Children in families with incomes between 150.1 and 200.0 percent of the FPL covered under the direct coverage option pay a monthly premium of \$12 per child, up to a maximum \$36 per family. Premiums are charged to children presumptively eligible for the program. No other cost sharing is imposed on these families.
- Family Assistance Expansion (FAEC) families pay monthly premiums as follows: 200.1 to 250.0 percent FPL, \$20 per child with a \$60 family maximum per month; 250.1 to 300.0 percent FPL, \$28 per child with an \$84 family maximum per month.
- MassHealth Healthy Start is a program for unborn children of pregnant women that are not eligible for Medicaid with family incomes up to 200.0 percent of the FPL. The following co-pays apply: generic drugs, \$3; name brand drugs \$4; mental health services directly related to the health of the unborn child (per visit), \$2 (0 - 200 percent FPL).

- Premiums and other cost sharing for families with children covered through the premium assistance program vary, depending on the employer's plan, the employer's contribution and the family's income, but total cost sharing will not exceed 5 percent of the family's income.
- MassHealth CommonHealth is a program for disabled children. The monthly premiums for CommonHealth members range from \$15 to \$35 based upon family income. CommonHealth members who have family incomes above 150 percent of the FPL are charged \$15 per month, and the monthly premiums increase by \$5 for each additional 10 percent of the FPL through 200 percent.

### **Coordination between CHIP and Medicaid**

- Massachusetts uses a single application for all MassHealth programs, including those funded under Medicaid and SCHIP, and the DMA evaluates eligibility for all MassHealth programs. Information from the completed application is entered into the State's automated eligibility system. Using decision trees, the system determines and automatically enrolls the individual in the most comprehensive coverage for which he or she is eligible.

### **Crowd Out Strategy**

- This program builds upon the current Medicaid section 1115 demonstration, which includes provisions to preserve and enhance employer-sponsored insurance (ESI) coverage. Anyone with access to ESI must enroll in ESI, greatly minimizing any possibility of crowd out. The State also offers an incentive payment under the Insurance Partnership to encourage qualified small employers to begin to continue to provide coverage to low-income employees.
- The State monitors the enrollment practices relating to ESI and the direct coverage option. The State is also studying statewide trends in ESI access and employee participation in ESI.
- Children between 200 and 300 percent FPL may be subject to a waiting period of up to six months if they dropped employer-sponsored insurance within the previous six months.

### **Outreach Activities**

- Outreach includes school-based campaigns, community-wide enrollment campaigns, creation and distribution of promotional materials, and funding community-based organizations through mini-grants to assist in enrollment of hard to reach individuals. Activities are also coordinated and initiated with other State agencies. The DMA also developed a multi-media enrollment campaign for targeted underserved populations and to publicize information on how to access MassHealth benefits.

**Financial Information**

Total FY 2009 CHIP Allotment -- \$321,658,700

Enhanced Federal Matching Rate (FY 09) - 65.00%

***Date Last Updated: July 29, 2009***