MODEL APPLICATION TEMPLATE FOR
STATE CHILD HEALTH PLAN UNDER TITLE XXI
OF THE SOCIAL SECURITY ACT
STATE CHILDREN'S HEALTH INSURANCE PROGRAM

(Required under 4901 of the Balanced Budget Act of 1997 (New section 2101(b)))

State/Territory: **MISSOURI**
(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 State Child Health Plan for the State Children's Health Insurance Program and hereby agrees to administer the program in accordance with the provisions of the approved State 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: ~~Ronald J. Levy~~ ***Brian Kinkade***	Position/Title: ***Interim*** Director, Department of Social Services
Name: Ian McCaslin, M.D., M.P.H	Position/Title: Director, MO HealthNet Division

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0938-0707. The time required to complete this information collection is estimated to average 160 hours per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. If you have any comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: CMS, N2-14-26, Baltimore, Maryland 21244.

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. **(42 CFR 457.130)**

1.1 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)

Response:

Effective date (date State incurs costs):

Initial Combination SCHIP State Plan Submission, SPA #3: September 1, 2007
SPA #4: Disapproved December 19, 2008
SPA #5: Effective May 1, 2009
SPA #6: Effective July 1, 2009
SPA #7: Withdrawn June 29, 2011
SPA #8: Effective July 1, 2011

Implementation date (date services begin):

SPA #3: September 1, 2007
SPA #4: Disapproved December 19, 2008
SPA #5: May 1, 2009
SPA #6: July 1, 2009
SPA #7: Withdrawn June 29, 2011
SPA #8: Effective July 1, 2011

member per month (PMPM) capitation rate for providing and coordinating health care services for members.

Recipients are given an opportunity to select an MCO in his or her area of the State, as well as a PCP within that MCO. Once eligibility is established, recipients receive an enrollment packet which includes a listing of available MCOs, instructions on how to choose an MCO, and who to contact for assistance in determining if their current health care provider is participating in an MCO. Recipients may choose an MCO any time during their open enrollment period by sending in the enrollment form or contacting the Enrollment Broker to enroll over the telephone. For those individuals who do not make an MCO selection, the State uses an algorithm to assign the member to an MCO. Recipients will be covered on a Fee-For-Service basis until enrollment in the MCO is effective. The contracted Enrollment Broker handles the MCO self selection function.

All members will be enrolled in an MCO for a period of 12 consecutive months to provide a solid continuum of care. Once a member chooses an MCO or is assigned to an MCO, the member has 90 calendar days from the effective date of coverage to change MCOs for any reason.

Children in State care and custody are allowed automatic and unlimited changes in MCO choice as often as circumstances necessitate.

The MCOs must assure that members are offered freedom of choice in selecting a PCP. Each MCO shall limit its PCPs to licensed residents specializing in family and general practice, pediatrics, obstetrics and gynecology (OB/GYN), and internal medicine; registered nurses who are advance practice nurses with specialties in family practice, pediatric practice, and OB/GYN practice; and licensed physicians in the following specialties: family and general practitioners, pediatricians, OB/GYN, and internists.

In addition, pursuant to Section 2105(a)(1)(D)(ii), Missouri will offer "Health Services Initiatives" under the plan. The Health Services Initiatives will be activities for improving the health of children that are administered by Local Public Health Agencies (LPHAs) and funded by local and state funds. Specific Health Services Initiatives may include the following programs:

Immunization programs

LPHAs provide a vital role in immunizing our children and promoting immunization among hard to reach families and communities. Immunization program costs are operational (staff related) costs only. The vaccines costs for CHIP 2 are funded through the Vaccines for Children (VFC) program, therefore the costs of the vaccines are not included in the CHIP claiming. The immunization program costs claimed under CHIP are net of revenue obtained from billing Medicaid and other insurers for administrative costs. Children enrolled in CHIP 1 are not eligible for vaccines through the VFC

program.

Lead testing and prevention programs

LPHAs are at the forefront of monitoring and managing lead poisoning among children up to the age of six. Lead program costs include educating families about lead poisoning, testing, and case management services. The lead related program costs claimed under CHIP are net of applicable credits.

Newborn home visiting programs

LPHAs offer newborn home visiting programs to high risk families. Clinical staff and other trained professionals provide a range of services to young families to ensure the healthy development of infants and toddlers.

School health programs

LPHAs provide health related services in schools and pre-schools including health education, screenings, maintenance of health records, basic nursing services and referrals as needed to other health care providers. These services are distinct and different from the services provided in schools as part of special education services authorized under IDEA.

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) (42 CFR 457.490(b))**

costs. The State expects administrative costs to grow approximately 2.0% annually.

Health Services Initiatives

Since we are requesting an effective date of July 1, 2011, the FFY 2012 expenditures include actual expenditures of the two (2) quarters available, projected expenditures of the two quarters not yet available, and the projected expenditures of the Health Services Initiative. Based on the last year of historical expenditures and the inclusion of the "Health Services Initiatives" the State is projecting an increase in administrative costs. The increase falls within the 10% Administrative Cost Ceiling.

Please see Attachment 8.

CHIP Budget Plan Template

	Federal Fiscal Year FFY 2011 Costs	Federal Fiscal Year FFY 2012 Costs
Enhanced FMAP rate	**74.30%**	**74.42%**
Benefit Costs		
Insurance payments		
Managed care	$ 76,455,793	$ 81,165,815
FFY 2011: ($142.17 PMPM @ 44,814 eligibles)		
FFY 2012: ($149.95 PMPM @ 46,410 eligibles)		
Fee for Service	$ 81,100,876	$ 84,478,706
FFY 2011: ($189.90 PMPM @ 35,589 eligibles)		
FFY 2012: ($203.87 PMPM @ 36,859 eligibles)		
Total Benefit Costs	**$ 157,556,669**	**$ 165,644,521**
(Offsetting beneficiary cost sharing payments)	$ (4,905,170)	$ (4,905,170)
Net Benefit Costs	**$ 152,651,499**	**$ 160,739,351**
Administration Costs		
Personnel		
General administration		
Contractors/Brokers (e.g., enrollment contractors)	$ 2,917,877	$ 3,186,801
Claims Processing		
Outreach/marketing costs		
Other (H.S.I)		$ 5,750,000
Total Administration Costs	**$ 2,917,877**	**$ 8,936,801**
10% Administrative Cost Ceiling	$ 16,961,278	$ 17,859,928
Federal Share (multiplied by enh-FMAP rate)	$ 115,588,046	$ 126,272,992
State Share	$ 39,981,330	$ 43,403,160
TOTAL PROGRAM COSTS	**$ 155,569,376**	**$ 169,676,152**

Note: The Federal Fiscal Year (FFY) runs from October 1st through September 30th. FFY 2012 actuals through Quarter ending March 31, 2012. Remaining Quarters are projected.

Note: Source of State Funds are 16% of General Revenue under the Current House Bill. The remaining is a combination of general revenue equivalents.

General Revenue equivalents are non-federal funding sources other than General Revenue that serve as state match for federal matching purposes. The Pharmacy Reimbursement Allowance Fund and the Federal Reimbursement Allowance Fund are funds desginated for Missouri's hospital and pharmacy tax proceeds. Other non-federal funding sources include: Medicaid Managed Care Organization Allowance Fund, Health Initiatives Fund, Pharmacy Rebates Fund, Premium Fund, and the Life Sciences Research Trust Fund.

Bolded/Italics Added Information

Revised 6/12