

H-3040 CHILDREN UNDER AGE 19-LACHIP AFFORDABLE PLAN**H-3041 GENERAL INFORMATION**

Effective June 1, 2008, Louisiana ** implemented an expansion of the State Child Health Insurance Program (SCHIP) to provide health assistance to uninsured children with family income in excess of the limits for the regular Louisiana Children's Health Insurance Program (LaCHIP), but equal to or less than 255 percent (250 percent, plus a 5 percent disregard) of the Federal Poverty Level (FPL). The LaCHIP Affordable Plan (LAP) is a separate state SCHIP program and different from the LaCHIP program.

LAP is a cost-sharing program with a monthly premium of \$50 per household, regardless of the number of certifications per household due to multiple income units. A household that has at least one (1) eligible child verified as a member of a federally recognized American Indian or Alaskan native tribe will pay no premium.

The Patient Protection and Affordable Care Act of 2010, referred to as the Affordable Care Act (ACA), combines all mandatory and optional eligibility groups for individuals under age 19 into one coverage group. This Children's group includes those covered under LAP. Eligibility for applicants/enrollees in this Children's Group is determined by using the Modified Adjusted Gross Income (MAGI) methodology.

A LAP child is one:

- Who is under age 19;
- Who is income ineligible for regular LaCHIP;
- Who has MAGI-based income that does not exceed 255 percent of the FPL **;
- Who does not have other insurance or access to the State Employees Health Plan (SEHP);
- Who has been determined eligible for child health assistance under the SCHIP; and
- Whose custodial parent has not voluntarily cancelled coverage for the child(ren) from employer sponsored insurance within the previous three (3) months, without good cause.

Good cause exceptions are listed below:

- Lost insurance due to divorce or death of parent.
- Lifetime maximum reached.
- Consolidated Omnibus Budget Reconciliation Act (COBRA) coverage ends (up to 18 months).
- Insurance ended due to lay-off or business closure.
- Changed jobs and the new employer does not offer dependent coverage.
- Employer no longer provides dependent coverage.
- Monthly family premium exceeds 9.5 percent of household income.
- Monthly premium for coverage of the child exceeds 5 percent of household income.
- The child's parent is determined eligible for advance payment of the premium tax credit for enrollment in a qualified health plan (QHP) through the marketplace because the employer-sponsored insurance plan (ESI) in which the family was enrolled is determined unaffordable, according to the ACA definition.
- The child has special health care needs. These children have, or are at increased risk for, a chronic physical, developmental, behavioral or emotional condition, and who also require health and related services of a type or amount beyond that most children require.

H-3042 ELIGIBILITY DETERMINATION PROCESS

Determine eligibility by applying the following criteria. The elements have been listed in the most logical order, but work on all steps simultaneously.

H-3042.1 Determine Assistance Unit

The assistance unit consists of the child(ren) under age 19.

H-3042.2 Establish Categorical Requirement

Each eligible child must be under age 19.

H-3042.3 Establish Non-financial Eligibility

Verify eligibility for each member of the assistance/benefit unit with regard to the following factors:

- [Assignment of Third Party Rights](#) [I-200](#)
- [Citizenship/Identity and Alienage](#) [I-300](#)
- [Enumeration](#) [I-600](#)
- [Residence](#) [I-1900](#)
- [Creditable Health Coverage](#) [I-2200](#)
- Access to a [SEHP](#)
- Employer sponsored insurance not voluntarily cancelled during the prior three (3) months.

H-3042.4 Establish Need

Household composition and countable income for LaCHIP Affordable Plan children are based on the MAGI methodology. Refer to [I-1550 MAGI Determinations](#).

Compare MAGI-based income to the LAP income standard. [Refer to Z-200, Federal Poverty Income Guidelines](#).

H-3042.5 Eligibility Decision

Evaluate all eligibility requirements and verifications received to make the eligibility decision.

For special processing of LAP certifications, please see the [Premium-Based Programs](#) chapter of the *BHSF Eligibility Administrative Procedures Manual*.

H-3042.6 Certification Period

The certification period shall not exceed twelve (12) months. Eligibility will always begin on the first of the month after the eligibility determination has been completed.

Retroactive coverage is not available. Please see the [Premium-Based Programs](#) chapter of the *BHSF Eligibility Administrative Procedures Manual* for the protocol for requesting a retroactive start date due to agency error.

Twelve (12) months of continuous eligibility does not apply when it is discovered that an enrollee has obtained creditable health insurance or has failed to pay the monthly premium.

H-3042.7 Notice of Decision

Send the appropriate notice of decision to the applicant/enrollee. LAP notices of decision are not automatically generated.

H-3042.8 Premiums

Premiums are collected by the Office of Group Benefits (OGB). The first premium is due once the certification is placed on MEDS. Benefits do not begin until the first premium payment is received.

Monthly premiums are due by the 10th day of each month. The initial premium invoice is included with the approval notice. Subsequent billing will be done by OGB. Advance notice of closure will be system-generated if the premium is not received by the monthly due date.