

NOTICE OF INTENT

**Department of Health
Bureau of Health Services Financing**

**Louisiana Children's Health Insurance Program
(LAC 50:I. Chapter 205)**

The Department of Health, Bureau of Health Services Financing proposes to amend LAC 50:I. Chapter 205 in the Medical Assistance Program as authorized by R.S. 36:254 and pursuant to Title XIX of the Social Security Act. This proposed Rule is promulgated in accordance with the provisions of the Administrative Procedure Act, R.S. 49:950 et seq.

The Department of Health, Bureau of Health Services Financing, proposes to amend the provisions governing the Louisiana Children's Health Insurance Program (LaCHIP) Phase V to comply with Department of Health and Human Services, Centers for Medicare and Medicaid Services rule [42 CFR § 457.340(e)] for twelve-month continuous eligibility and procedures governing non-payment of premiums. Chapter 205 focuses on helping children in low-income families keep their health coverage, understand their rights, and get the care they need. The proposed changes to this Chapter support these goals by amending cost-sharing rules and removing old eligibility rules that no longer apply. These updates make it easier for families to understand how and when to pay premiums. They are also intended to assist families by improving notification of impending termination of coverage

while also explaining the appeals process. These revisions will help families better understand their responsibilities, reduce coverage disruptions, and ensure compliance with federal standards.

The proposed Rule text below has been drafted utilizing plain language principles to ensure clarity and accessibility for all users. It has also been reviewed and tested for compliance with web accessibility standards.

Title 50

PUBLIC HEALTH—MEDICAL ASSISTANCE

Part III. Eligibility

Subpart 11. State Children's Health Insurance Program

Chapter 205. Louisiana Children's Health Insurance Program (LaCHIP)—Phase V

§20503. Eligibility Criteria

A. - A.4. ...

B. For the purpose of determining eligibility for phase five of LaCHIP, children are considered to be uninsured if they do not have creditable health insurance at the time of application.

1. - 6. Repealed.

AUTHORITY NOTE: Promulgated in accordance with R.S. 36:254 and Title XXI of the Social Security Act.

HISTORICAL NOTE: Repromulgated by the Department of Health and Hospitals, Office of the Secretary, Bureau of Health Services Financing, LR 34:660 (April 2008), amended by the Department of Health, Bureau of Health Services Financing, LR 52:

§20505. Covered Services

A. Children covered in phase five of the LaCHIP expansion shall receive health care benefits through an array of covered services offered by health plans participating in the Healthy Louisiana Program, and behavioral health services administered by the statewide management organization under the LBHP. The following services shall be included:

1. - 19. ...

AUTHORITY NOTE: Promulgated in accordance with R.S. 36:254 and Title XXI of the Social Security Act.

HISTORICAL NOTE: Repromulgated by the Department of Health and Hospitals, Office of the Secretary, Bureau of Health Services Financing, LR 34:660 (April 2008), amended by the Department of Health and Hospitals, Bureau of Health Services Financing, LR 41:1292 (July 2015), amended by the Department of Health, Bureau of Health Services Financing, LR 52:

§20507. Cost Sharing

A. ...

B. The following cost-sharing criteria shall apply.

1. Premiums. When family income is between 201 percent and 250 percent of the federal poverty level, families shall be responsible for paying a \$50 per month premium.

a. Benefits begin after the first premium is received. Premiums are due by the tenth of each month.

b. Coverage may be terminated at the end of the twelve-month continuous eligibility period if:

i. premiums remain unpaid; and
ii. at least 60 days have passed since the premium due date.

c. Notice of Nonpayment and Grace Period. Before termination, a written notice will be sent to the family that includes:

i. a 30-day grace period to pay the unpaid premiums;

ii. a warning that failure to pay within the 30-day grace period will result in termination of coverage; and

iii. information on the family's right to appeal the proposed termination.

d. Termination Notice. If the family does not pay the premiums within the 30-day grace period, a termination notice will be issued that complies with the requirements in 42 CFR §457.340(e).

e. Payment after Grace Period. If the family pays the premiums after the 30-day grace period but before the end of the eligibility period, coverage will not terminate for failure to pay premiums.

C. Repealed.

AUTHORITY NOTE: Promulgated in accordance with R.S. 36:254 and Title XXI of the Social Security Act.

HISTORICAL NOTE: Repromulgated by the Department of Health and Hospitals, Office of the Secretary, Bureau of Health Services Financing, LR 34:661 (April 2008), amended by the Department of Health and Hospitals, Bureau of Health Services Financing, LR 41:1292 (July 2015), amended by the Department of Health, Bureau of Health Services Financing, LR 52:

Implementation of the provisions of this Rule may be contingent upon the approval of the U.S. Department of Health and Human Services, Centers for Medicare and Medicaid Services (CMS), if it is determined that submission to CMS for review and approval is required.

Family Impact Statement

In compliance with Act 1183 of the 1999 Regular Session of the Louisiana Legislature, the impact of this proposed Rule on the family has been considered. It is anticipated that this proposed Rule will have a positive impact on family functioning, stability and autonomy as described in R.S. 49:972, as it will

ensure that children enrolled in the Louisiana Children's Health Insurance Program (LaCHIP) receive twelve months of continuous eligibility, which cannot be removed from coverage for nonpayment of premiums.

Poverty Impact Statement

In compliance with Act 854 of the 2012 Regular Session of the Louisiana Legislature, the poverty impact of this proposed Rule has been considered. It is anticipated that this proposed Rule will have a positive impact on child, individual, or family poverty in relation to individual or community asset development as described in R.S. 49:973, as it will reduce the financial burden on low-income families by ensuring continuous twelve-month eligibility for children enrolled in the Louisiana Children's Health Insurance Program (LaCHIP), and prevent loss of health coverage due to nonpayment of premiums during this period.

Small Business Analysis

In compliance with the Small Business Protection Act, the economic impact of this proposed Rule on small businesses has been considered. It is anticipated that this proposed Rule will have no impact on small businesses.

Provider Impact Statement

In compliance with House Concurrent Resolution (HCR) 170 of the 2014 Regular Session of the Louisiana Legislature, the

provider impact of this proposed Rule has been considered. It is anticipated that this proposed Rule will have no impact on the staffing level requirements or qualifications required to provide the same level of service, no direct or indirect cost to the provider to provide the same level of service, and will have no impact on the provider's ability to provide the same level of service as described in HCR 170.

Public Comments

Interested persons may submit written comments to Tangela Womack, Bureau of Health Services Financing, P.O. Box 91030, Baton Rouge, LA 70821-9030. Ms. Womack is responsible for responding to inquiries regarding this proposed Rule. The deadline for submitting written comments is May 20, 2026.

Public Hearing

Interested persons may submit a written request to conduct a public hearing by U.S. mail to the Office of the Secretary ATTN: LDH Rulemaking Coordinator, Post Office Box 629, Baton Rouge, LA 70821-0629; however, such request must be received no later than 4:30 p.m. on May 11, 2026. If the criteria set forth in R.S. 49:961(B)(1) are satisfied, LDH will conduct a public hearing at 9:30 a.m. on May 28, 2026 in Room 118 of the Bienville Building, which is located at 628 North Fourth Street, Baton Rouge, LA. To confirm whether a public hearing will be held, interested persons should first call Allen Enger at (225)

342-1342 after May 11, 2026. If a public hearing is to be held, all interested persons are invited to attend and present data, views, comments, or arguments, orally or in writing.

Bruce D. Greenstein

Secretary

FISCAL AND ECONOMIC IMPACT STATEMENT FOR ADMINISTRATIVE RULES

RULE TITLE: Louisiana Children's Health Insurance Program

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

It is anticipated that implementation of this proposed rule will result in increased state costs of approximately \$37,967 for FY 25-26 (includes \$462 for the administrative expense of promulgation of the proposed rule and final rule), \$102,471 for FY 26-27, and \$167,339 for FY 27-28.

This proposed rule amends the provisions governing the Louisiana Children's Health Insurance Program (LaCHIP) Phase V to comply with Department of Health and Human Services, Centers for Medicare and Medicaid Services rule [42 CFR § 457.340(e)] for twelve-month continuous eligibility and procedures governing non-payment of premiums. The proposed changes amend cost-sharing rules, remove old eligibility rules that no longer apply, make it easier for families to understand how and when to pay premiums, improve beneficiary notification of impending termination of coverage, and better explain the appeals process.

These revisions will help families better understand their responsibilities, reduce coverage disruptions, and ensure compliance with federal standards.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

It is anticipated that the implementation of this proposed rule will increase federal revenue collections by approximately \$241,179 for FY 25-26 (includes \$461 for the administrative expense of promulgation of the proposed rule and final rule), \$663,716 for FY 26-27, and \$1,086,034 for FY 27-28.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS, SMALL BUSINESSES, OR NON-GOVERNMENTAL GROUPS (Summary)

This proposed rule amends the provisions governing the Louisiana Children's Health Insurance Program (LaCHIP) Phase V to comply with Department of Health and Human Services, Centers for Medicare and Medicaid Services rule [42 CFR § 457.340(e)] for twelve-month continuous eligibility and procedures governing non-payment of premiums. Due to the waiting period for eligibility being removed, recipients will not have such a long period of time during which they will be solely responsible for their medical costs. The premiums under LaCHIP are less than the

average cost of out-of-pocket payment for a child's routine medical bills. Therefore, it is anticipated that families will benefit from this rule. There will be no direct impact to small businesses and providers due to implementation of this proposed rule.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

This proposed rule has no known effect on competition and employment.