

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S2-01-16
Baltimore, MD 21244-1850



Children and Adults Health Programs Group

August 09, 2024

Kimberly Sullivan, J.D.
Medicaid Executive Director
State of Louisiana Department of Health
Bureau of Health Services Financing
628 North 4th Street, Room 769
Baton Rouge, LA 70802

Dear Director Sullivan:

Thank you for your Children's Health Insurance Program (CHIP) State Plan Amendment (SPA) #LA-24-0005 submitted on June 27, 2024. LA-24-0005 proposes to provide 12 months of continuous eligibility to children enrolled in CHIP, pursuant to section 5112 of the Consolidated Appropriations Act, 2023 (CAA).

As you are aware, your SPA has been undergoing review by Centers for Medicare & Medicaid Services (CMS). In order to proceed with our review, we find it necessary to seek additional information on your SPA related to section 2107(e)(1)(K) of the Social Security Act (the Act).

Under Section 2106(c) of the Act, CMS must approve, disapprove, or request additional information on a proposed amendment to a title XXI state plan within 90 days. This letter constitutes our notification that specified additional information is needed in order to fully assess this amendment. The 90-day review period has been stopped by this request and will resume as soon as a complete and substantive response is received to all of the concerns listed above as well as for the questions listed below.

Your Project Officer is Abbie Walsh. She is available to answer your questions and other CHIP-related matters. Abbie's contact information is as follows:

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We look forward to continue working with you and your staff.

Sincerely,

Meg Barry
Director
Division of State Coverage Programs

Request for Additional Information
Louisiana CHIP SPA LA-24-0005

1. Louisiana indicated in its response to our informal questions that for children transitioning from a separate CHIP to Medicaid, the state currently maintains the child's enrollment in Medicaid until the end of their original CHIP CE period. States are required to start a new 12-month CE period at the time a child transitions from CHIP to Medicaid. Section 1902(e)(12) of the Act requires that states provide a child with a 12-month CE period based on the date they were determined eligible for Medicaid, even if that child is transitioning to Medicaid from CHIP. CMS is currently revising State Health Official Letter #23-004 to reflect this policy.

Please provide the date by which Louisiana will be able to update its policy and make system upgrades to begin a new CE period for a child who transitions from separate CHIP to Medicaid. Please also clarify whether Louisiana will be able to institute a manual work around in the interim period prior to implementation of a permanent systems change.

2. We held a call with Louisiana on May 21, 2024, to provide technical assistance to the state on removing the non-payment of premium exception to the CE period. It is our understanding that the state no longer terminates children for failure to pay premiums during the CE period. During the call, the also state said it would like additional technical assistance on the option of terminating children at the end of the CE period and how that interacts with CHIP noticing, premium lock-out, premium grace and renewal rules. Louisiana has also expressed concern with making related eligibility and enrollment system changes. The state indicated that at the end of the CE period, it is interested in requiring "individuals who have unpaid premiums, which are at least 60 days past due at the end of the CE period, to pay for the first month's premium of the new CE period. Failure to meet the first premium requirement of the new CE period would result in termination." In order to better understand the state's proposal, please:
 - a. Clarify whether the state is currently terminating children at the end of the CE period for premiums that are at least 60 days past due.
 - b. Provide CMS with scenarios of what Louisiana is currently doing at the end of a child's CE period and what the state is proposing to do at the end of a CE period when a premium is at least 60 days past due. Please describe the process in detail, including the various actions, such as noticing, application of the premium lock-out period, grace period, disenrollment, and what is required to reenroll in the program. Please also specify the timing of each action.
 - c. Clarify whether the state is envisioning charging the initial premium *only* to children who had past due premiums during the first CE period, or to *all* children who are applying to (or re-enrolling in) CHIP.

After we receive this information, CMS will provide additional technical assistance to the state.

3. In response to our questions related to the from-conception-to-end-of-pregnancy (FCEP) population, the state responded that eligibility and enrollment system changes are needed “to screen FCEP newborns for Medicaid and, if eligible, begin a new 12-month CE period or, if not eligible for Medicaid, maintain coverage in CHIP for the duration of the 12-month CE period.” The state also indicates that all newborns are deemed eligible in Medicaid. We have the following questions about these statements.

- Our understanding is that Louisiana is deeming all infants into Medicaid, but that CHIP is paying for labor and delivery per its CS27 submission. Is this correct?
- Is the state automatically enrolling infants previously covered under the FCEP population into the Deemed Newborn eligibility group in Medicaid or is there a separate eligibility group for these newborns? If the state is enrolling these infants into the Deemed Newborn eligibility group, is the state verifying their citizenship?
- Is the state is currently beginning a new 12-month CE period when children are deemed eligible to Medicaid?
- The state indicates that it “needs system changes to implement CE policies for the FCEP related newborn population. Those changes are currently projected to be completed by March 2025.” Please describe what system changes the state intends to make related to the FCEP population.