CALIFORNIA SECTION 1115 WAIVER

Status as of January 2003

- Submitted as a section 1115 SCHIP waiver December 19, 2000
- Resubmitted, per request by DHHS, as a section 1115 HIFA waiver January 16, 2002
- Approved January 25, 2002
- Two-month coverage for those transitioning from SCHIP to Medicaid implemented October 1, 2002
- Parent expansion and two-month coverage for those transitioning from Medicaid to SCHIP not yet implemented

Overview

- California's approved waiver allows the state to use SCHIP funds to expand eligibility for the state's SCHIP program (Healthy Families) to uninsured parents with incomes at or below 200% of poverty, who were previously ineligible for Medicaid or SCHIP. (This expansion has not yet been implemented.) The state's Medicaid program (Medi-Cal) already covers parents below poverty.
- Newly eligible parents would receive a benefit package similar to the state's SCHIP benefit package for children, although they would have more limited hearing and dental benefits, would pay higher premiums, and would pay copayments for more services than SCHIP children.
- The waiver also allows the state to provide up to two months of SCHIP-funded coverage to children and parents when they transition between Medicaid and SCHIP, with the goal of eliminating coverage gaps that may occur between the time eligibility in one program ends and enrollment in the other program is established. Prior to the waiver, the state covered one month for those transitioning from Medicaid to SCHIP. The state has implemented two-month coverage for those transitioning from SCHIP to Medicaid, but, due to budgetary constraints, continues to cover only one month for those transitioning from Medicaid to SCHIP.
- Expenditures under the waiver are limited to available SCHIP and state funds. SCHIP funds will first be used to cover SCHIP children, then transition coverage for children, then newly eligible parents, and finally transition coverage for all parents. If funds are depleted, the state may close enrollment and institute a waiting list for newly eligible parents. The state cannot decrease eligibility standards, institute waiting lists, or close enrollment for SCHIP children in order to accommodate parent enrollment.
- Under the waiver, the state has committed to evaluate (by October 31, 2003) the feasibility of a pilot program that would provide premium assistance to families for the purchase of employer-sponsored insurance.

Individuals Covered By Waiver

	Eligible for Waiver Coverage
Eligible Prior to Waiver	(No individuals who were eligible for Medicaid or SCHIP prior to the waiver are covered by the waiver)
Newly Eligible Under Waiver (Subject to an enrollment cap)	• Parents 0-100% FPL who are not eligible for Medicaid (e.g., because they do not meet asset requirements) • Parents 100-200% FPL Parents also must not have not had employer-sponsored coverage for the past three months (with some exceptions)
Table Notes: -Parents are custodial parents, caretaker relatives, or legal guardians of Medicaid- or SCHIP-eligible children. -Children and parents who receive two months coverage during a transition from SCHIP to Medicaid also are covered by the waiver. Previously eligible children and parents continue to receive full Medicaid/SCHIP benefit packages; newly eligible parents receive the waiver benefit package.	

Premiums/Enrollment Fees, Benefits, & Cost Sharing for State's Basic Medicaid Program for Adults and Waiver Coverage

(This table shows coverage and cost sharing for a selected list of benefits; other benefits not shown on this list may also be covered.)

	State's Basic Medicaid Program for Adults		Waiver Coverage: Newly Eligible Parents at or below 200% FPL (Modified SCHIP Benefit Package)	
Premiums/ Enrollment Fees	Generally none (Medically needy beneficiaries pay a "share of cost" deductible during months they incur costs)		0-150% FPL: $10 per parent per month 150-200% FPL: $20 per parent per month Families that pay three months of premiums in advance receive the fourth month free, and families that pay through an electronic fund transfer receive a 25% monthly discount	
Groups Exempt from Cost-Sharing	No cost sharing		American Indians and Alaska Natives	
Benefits & Cost Sharing	**Covered**	**Benefit Limits**	**Covered**	**Benefit Limits & Copayments/Coinsurance**
Inpatient Hospital	✓		✓	
Outpatient Hospital	✓		✓	
Emergency Room	✓		✓	$5, waived if admitted
Physician Services	✓		✓	$5 per visit (including preventive care visits) Prenatal care exempt from copayments
Lab and X-ray	✓		✓	
Ambulance	✓		✓	
Non-emergency Transportation	✓			
Home Health Care	✓		✓	
Long-term Care	✓		L	100 days inpatient skilled nursing care per year
Prescription Drugs	✓	6 prescriptions per month, exceptions allowed	✓	$5 per prescription
Mental Health and Chemical Dependency	✓		L	For serious mental illnesses: no limitations For non-serious mental illnesses: 30 inpatient days and 20 outpatient visits per year Chemical Dependency: Inpatient care limited to detoxification 20 outpatient visits per year $5 per outpatient mental health or chemical dependency visit
Durable Medical Equipment	✓		✓	
Dental	✓		✓	Copayments range from $5-$150 per service, based on type of service; no copayments for diagnostic and preventive services
Vision	✓	Coverage for all medically necessary care and eyeglasses and one routine exam per 24 months	L	One exam per year, one set of eyeglasses per year $5 per visit $5 per set of glasses
Hearing	✓		✓	$5 per visit
PT, OT, SLP	✓		✓	$5 per outpatient visit No charge for inpatient care
Other Provisions			$250 maximum on copayments per family per year.	

TABLE NOTES:
Information on the state's basic Medicaid program for adults from State Plan on file with CMS (http://www.cms.gov/medicaid/stateplans/map.asp).
L = Limits in the amount, scope, or duration of benefit as compared to state's basic Medicaid benefit package.
PT = Physical Therapy, OT = Occupational Therapy, SLP = Speech Language Pathology Therapy