

Medicaid and CHIP Overview



August 2023

This information is intended only for the use of entities and individuals certified to serve as Navigators, certified application counselors, or non-Navigator personnel in a Federally-facilitated Marketplace. The terms “Federally-facilitated Marketplace” and “FFM,” as used in this document, include FFM’s where the state performs plan management functions. Some information in this manual may also be of interest to individuals helping consumers in State-based Marketplaces and State-based Marketplaces using the Federal Platform. This material was produced and disseminated at U.S. taxpayer expense.

A Note about this Presentation

This presentation applies if you:

- Are a Navigator or certified application counselor (collectively, an assister) in a Federally-facilitated Marketplace.
- Are assisting low-income individuals, families, or children who may be uninsured or exploring different health coverage options.



Overview: Medicaid and CHIP

Medicaid and the Children's Health Insurance Program (CHIP) are federal health coverage programs administered individually by each state and territory to provide comprehensive coverage for over 93 million eligible beneficiaries. Beneficiaries typically come from the following categories¹:

- In Medicaid:
 - Parents and children
 - Pregnant individuals
 - Individuals receiving Supplemental Security Income (SSI)
 - People with disabilities
 - Other low-income adults, depending on the state
- In CHIP:
 - Uninsured children up to age 19 whose household income is too high for them to qualify for Medicaid
 - In some states, low-income pregnant individuals

Medicaid and CHIP eligibility requirements and program benefits vary by state.

Eligibility Basics

- Medicaid and CHIP eligibility depends on several factors including:
 1. A consumer's household income level
 2. The number of people in the household
 3. The consumer's U.S. citizenship, U.S. national, or immigration status
 4. The state in which the consumer lives
 5. For some Medicaid eligibility groups, the consumer's age, pregnancy status, and disability status
 6. For some Medicaid eligibility groups, the consumer's assets and resources



Eligibility Basics (Cont.)



- Modified Adjusted Gross Income (MAGI)-based methodology is used to determine most consumers' financial eligibility for Medicaid and CHIP, including most children, pregnant individuals, parents, and non-elderly adults.
- Non-MAGI methods are used to determine Medicaid eligibility for elderly adults and people with blindness or a disability, and other resources and assets may be considered, varying by state.

Expansion for the Medicaid Adult Group

Under the Affordable Care Act (ACA), states have the opportunity to expand Medicaid coverage to low-income adults under the age of 65 with incomes up to 138 percent of the federal poverty level (FPL).

As of July 2023, 40 states including the District of Columbia have implemented Medicaid expansion. Assisters can find the status of Medicaid expansion implementation in each state using the map provided here: [Medicaid.gov/state-overviews/scorecard/medicaid-expansion-adult-enrollment-state/index.html](https://www.Medicaid.gov/state-overviews/scorecard/medicaid-expansion-adult-enrollment-state/index.html).

2023 Medicaid Eligibility Based on Medicaid Adult Group, Income, and Household Size

Number of People in the Household	Income Below 138% of the FPL*
1	\$20,120
2	\$27,214
3	\$34,307
4	\$41,400
5	\$48,493
6	\$55,586
7	\$62,680
8	\$69,773
More than 8	For each additional person, add \$7,093

- *If your income is below 138 percent of the FPL and your state has expanded Medicaid coverage to the adult group, you may qualify for Medicaid based on your income, even if you wouldn't qualify as a parent, child, pregnant individual, or individual with a disability.
- **Note:** These numbers represent 2023 FPLs for the 48 contiguous states and DC. FPL amounts are higher in Alaska and Hawaii. The figures in this table are annual income amounts; however, Medicaid eligibility is determined using current monthly income.

2023 Medicaid Eligibility Based on Medicaid Adult Group, Income, and Household Size (Cont.)

- In states that have not expanded Medicaid coverage to the adult group, adult consumers with household income below 100 percent FPL (\$14,580 for a household of one for the 48 contiguous states and D.C., with an increase of \$5,140 for each additional person) may not qualify for either adult group Medicaid or financial assistance for a Marketplace plan. Assistors should help consumers in this situation understand that they may still qualify for Medicaid on another basis, such as a parent or caretaker relative, a former foster care youth, pregnant woman, or a disability.



2023 Medicaid Eligibility Based on Medicaid Adult Group, Income, and Household Size (Cont.)

- If a consumer is not eligible for Medicaid, but their income is below 150 percent FPL, they may be eligible for a new Special Enrollment Period (SEP), if they are also eligible for advance payments of the premium tax credit (APTC). These consumers in the Marketplaces on the federal platform with a projected annual household income at or below 150 percent of the FPL are eligible for a monthly SEP to enroll in a qualified health plan (QHP) or change from one QHP to another.
 - State-based Marketplaces operating their own platforms (SBMs) have the option to offer this SEP.
 - This SEP will be available while the applicable percentage for purposes of calculating premium tax credits (PTCs) for eligible consumers is zero percent, such as under the American Rescue Plan Act of 2021 (ARP).
 - This SEP is available through Plan Year 2025 following the enactment of the Inflation Reduction Act (IRA).



Knowledge Check #1

States have the opportunity to expand Medicaid coverage to low-income adults under the age of 65 up to what percent of the federal poverty level?



Knowledge Check #1 Answer

Answer: 138 percent



Benefits



- States establish and administer their own Medicaid and CHIP programs in accordance with federal requirements and determine the type, amount, duration, and scope of services within federal guidelines. Medicaid benefits for eligible children under the age of 21 must generally include the full range of medically necessary services.^{2*} , even if the services are not covered under the state plan for individuals over the age of 21. Medicaid benefits for adults may vary but generally must be comprehensive in scope and must include all mandatory benefits.



- CHIP provides comprehensive benefits to children and some adults. States have flexibility to design their own program within federal guidelines, so benefits vary by state and by the type of CHIP program. However, with respect to children enrolled in CHIP, all states must provide well-baby and well-child care, dental coverage, behavioral health care, the COVID vaccine, and all other ACIP-recommended, age-appropriate vaccines.

* Under section 1905(a) of the Social Security Act.

Medicaid/CHIP Changes in Eligibility Based on Pregnancy



- With Medicaid or CHIP coverage, pregnant individuals receive free or low-cost care related to pregnancy, labor and delivery, as well as postpartum care.
- Pregnant individuals who are receiving Medicaid on the date their pregnancy ends continue their Medicaid coverage for a postpartum period that lasts for 60 days after the end of the pregnancy and through the end of the month in which the 60 days postpartum period ends. After the 60-day postpartum period ends, they may lose Medicaid eligibility, particularly if they were eligible for Medicaid on the basis of their pregnancy.

Medicaid/CHIP Changes for Eligibility Based on Pregnancy (Cont.)

- The American Rescue Plan Act of 2021, enacted March 11, 2021, gives states the option to extend Medicaid coverage for pregnant Medicaid beneficiaries beyond the required 60-day postpartum period, through the end of the month in which the beneficiary's 12-month postpartum period ends.
- If adopted for Medicaid, the extended postpartum coverage election applies automatically to CHIP, including pregnant individuals, where applicable.
- This state option began on April 1, 2022, and the Consolidated Appropriations Act, 2023 (CAA, 2023), enacted on December 29, 2022, makes this state option permanent beginning January 1, 2024. As of June 2023, 35 states and the District of Columbia have extended postpartum eligibility to 12 months via state plan amendments or approved Medicaid Section 1115 demonstrations. Assistants should check with their state Medicaid/CHIP agency to learn both whether their state has plans to exercise this option and, if so, the state timeline for implementation.



Medicaid Out-of-Pocket Costs

- Within limits, states can impose copayments, coinsurance, deductibles, and other similar charges on most Medicaid-covered benefits. Out-of-pocket amounts vary depending on a Medicaid beneficiary's income. All out-of-pocket charges are based on the specific state's defined payment amount for that service.
- Out-of-pocket costs cannot be imposed for emergency services, family planning services, pregnancy-related services, or preventive services for children. Additionally, cost-sharing cannot be imposed on exempted groups including children, terminally ill individuals, and individuals residing in an institution. Services cannot be withheld for failure to pay, but enrollees may be held liable for unpaid copayments.



Medicaid Out-of-Pocket Costs (Cont.)

FY 2023 Maximum Allowable Medicaid Copayments Determined by Eligible Population's Household Income

Services and Supplies	≤100% of the FPL	101-150% of the FPL	>150% of the FPL
Inpatient Hospital	\$92.00	10% of the cost the agency pays	20% of the cost the agency pays
Outpatient Services	\$4.95	10% of the cost the agency pays	20% of the cost the agency pays
Non-emergency Use of the Emergency Department	\$9.85	\$9.85	No limit; must remain within the 5% aggregate family cap
Preferred Drugs	\$4.95	\$4.95	\$4.95
Non-preferred Drugs	\$9.85	\$9.85	20% of the cost the agency pays

Applying for Medicaid or CHIP

You can help consumers find out whether they are eligible for Medicaid or CHIP at any time during the year in two main ways:

- 1. Through their state's website:** Consumers can find their state's website at: [HealthCare.gov/medicaid-chip/eligibility/](https://www.healthcare.gov/medicaid-chip/eligibility/).
- 2. Fill out a Marketplace application:** Help consumers complete a Marketplace application and indicate that they want to see if they're eligible for help paying for coverage to learn about the programs for which they may be eligible.



Coverage for Certain Adults Below 100 Percent of FPL

- In states that have not expanded Medicaid to the adult group, many adults with incomes below 100 percent of the FPL do not qualify for Medicaid or savings on Marketplace coverage.
- These adults should still fill out a Marketplace application and indicate that they want to see if they're eligible for help paying for coverage, in order to explore all available coverage options. In addition, you could discuss the following options:
 - **Obtain health care services at federally-qualified community health centers.** Use the following tool to find a community health center near the consumer: [HealthCare.gov/community-health-centers/](https://www.healthcare.gov/community-health-centers/).
 - **Purchase catastrophic coverage**, which is available for people under 30 years old and people granted a hardship or affordability exemption. For more information, visit: [HealthCare.gov/choose-a-plan/catastrophic-health-plans/](https://www.healthcare.gov/choose-a-plan/catastrophic-health-plans/).
 - **Find out what pharmaceutical assistance programs may be available.** You can help consumers find out if assistance is available for the medications they take by visiting: [Medicare.gov/pharmaceutical-assistance-program/](https://www.medicare.gov/pharmaceutical-assistance-program/).
 - **Other coverage options, including short-term, limited-duration insurance.**
- For additional resources, please refer to the [Resources for the Uninsured webinar](#) and the [Health Coverage Options for the Uninsured](#) fact sheet, available at: [Marketplace.cms.gov/technical-assistance-resources/connecting-uninsured-to-health-care-resources.pdf](https://www.marketplace.cms.gov/technical-assistance-resources/connecting-uninsured-to-health-care-resources.pdf).

Medicaid/CHIP and Minimum Essential Coverage

- Most Medicaid and CHIP coverage qualifies as minimum essential coverage (MEC).
- However, certain types of limited Medicaid coverage are not recognized as MEC, including limited coverage offered by some states that only pays for family planning services, treatment for an emergency medical condition for non-citizens who do not have satisfactory immigration status, or limited services to treat a specific condition.
- Consumers who are determined eligible for or are enrolled in coverage through Medicaid or CHIP that counts as MEC are ineligible for APTC for themselves, and for income-based cost-sharing reductions (CSRs) to help pay for the cost of their Marketplace coverage. Consumers who are enrolled in coverage through Medicaid or CHIP that does *not* count as MEC may be eligible for such Marketplace financial assistance.
- If consumers are enrolled in both Medicaid or CHIP that qualifies as MEC and Marketplace coverage with APTC/CSRs, they should visit [HealthCare.gov/medicaid-chip/cancelling-marketplace-plan/](https://www.healthcare.gov/medicaid-chip/cancelling-marketplace-plan/) or contact the Marketplace Call Center at 1-800-318-2596 for instructions on how to end their Marketplace coverage with APTC/CSRs. Consumers should seek to end any overlapping coverage in order to avoid having to pay back all or some of the APTC they may have incorrectly received while eligible for or enrolled in Medicaid.

Medicaid and CHIP Eligibility and Citizenship/Immigration Status

- To be eligible for full Medicaid benefits or CHIP, an individual must be a U.S. Citizens, U.S. nationals, or have a satisfactory immigration status³.
- Individuals who are non-citizens and who have a “qualified non-citizen” (QNC) status may be eligible to enroll in Medicaid or CHIP.
- Federal law requires that many qualified non-citizens must satisfy a five-year waiting period (also called the “five-year bar”) before becoming eligible for Medicaid or CHIP.
 - This five-year waiting period begins when consumers receive their qualifying immigration status, not when they first enter the United States.



Medicaid and CHIP Eligibility and Citizenship/Immigration Status (Cont.)

- Other qualified non-citizens are exempt from the five-year waiting period (e.g., refugees and asylees). Examples of QNC immigration statuses exempt from the five-year waiting period can be found at [HealthCare.gov/immigrants/lawfully-present-immigrants/](https://www.healthcare.gov/immigrants/lawfully-present-immigrants/)⁴.
- Under Section 214 of the Children’s Health Insurance Program Reauthorization Act of 2009 (an option commonly referred to as the “CHIPRA 214 option”⁵), states have the option to cover all lawfully residing children (up to age 19 for CHIP and up to age 21 for Medicaid) and/or pregnant individuals in Medicaid and CHIP,” including those individuals within their first five years of the waiting period. A child or pregnant individual is "[lawfully residing](#)" if they’re "lawfully present" and otherwise eligible for Medicaid or CHIP in the state⁶.
- Medicaid may also provide limited Medicaid coverage for the treatment of an emergency medical condition for people who meet all Medicaid eligibility criteria in the state (such as income and state residency), but don’t have a satisfactory immigration status or are subject to the five-year waiting period.



Refugee Medical Assistance (RMA)

- RMA provides short-term medical coverage to refugees ineligible for Medicaid. The benefits are generally similar to Medicaid.
- In addition to providing access to healthcare, RMA funds enable refugees to receive a Medical Screening⁷ upon arrival in the U.S. States and replacement designees (RDs) contract with local public and private health clinics to carry out the medical screenings and are then reimbursed for allowable costs. The goal is to protect the public health of resettling communities and to promote the self-sufficiency and successful resettlement of refugees.
- RMA and Medical Screening programs differ by location. Services vary depending on state Medicaid programs and medical screening processes. State governments and RDs are required to outline the delivery of both programs in their annual plans and budget estimates that are submitted to ORR.

Medicaid Unwinding SEP

- To keep people in coverage under what is known as the “continuous enrollment condition,” states paused redeterminations for Medicaid (and in some cases, the Children's Health Insurance Program (CHIP) coverage, starting in March 2020. Because the continuous enrollment condition ended on March 31, 2023, states are required to resume regular eligibility and enrollment operations, including renewals and coverage terminations. This process is referred to as “unwinding.” States are able to begin to terminate Medicaid as of April 1, 2023, for consumers found ineligible.
- Consumers who receive notice of a termination may start applying and enrolling immediately in other coverage, such as on the Marketplace, to ensure continuity of coverage.
- Consumers who lose Medicaid or CHIP coverage between March 31, 2023, and July 31, 2024, will be eligible for a continuous SEP, referred to as the "Unwinding SEP".
- Consumers who lose Medicaid or CHIP coverage during this timeframe can submit or update a Marketplace application anytime on HealthCare.gov and will have 60 days after that to pick a plan. Consumers will receive the Unwinding SEP automatically based on their answers to application questions.

Knowledge Check #2

All Medicaid is minimum essential coverage.

A. True

B. False



Knowledge Check #2 Answer

Answer: **B. False**

Most Medicaid programs are considered "minimum essential coverage" or qualifying health coverage. However, certain types of limited Medicaid coverage are not recognized as MEC, including coverage that only pays for family planning, the treatment of an emergency medical condition for non-citizens who do not have satisfactory immigration status, and tuberculosis services (among others).



Complex Case #1



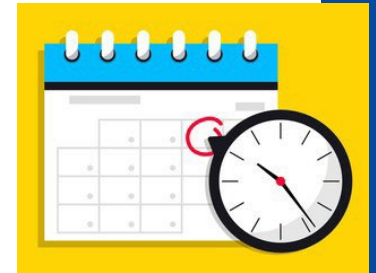
- On April 16, 2023, Joanne came in to meet with an assister and reported that she enrolled herself in a qualified health plan (QHP) through the Marketplace and thought she enrolled her 2-year-old son in CHIP during the Marketplace's Open Enrollment (OE) with an effective date of January 1, 2023.
- Joanne stated that her son was hospitalized on January 27, 2023, and that her insurance claims for his hospitalization were rejected. She did not realize her son had been denied CHIP coverage. Joanne did receive a CHIP denial on March 9, 2023. Therefore, her son is eligible for a Special Enrollment Period (SEP) for QHP coverage because the CHIP denial occurred after OE ended but the CHIP application was submitted during OE.
- However, when Joanne called the Marketplace on April 15, 2023, she was told that the effective date of her son's QHP coverage via the SEP would be April 15, 2023. Joanne wants to know if it would be possible to get her son's coverage date set back to January 1, 2023, so that his hospitalization would be covered.

Applicable Rule(s)

- Consumers may be eligible for an SEP to enroll in a QHP through the Marketplace if they:
 - Applied for coverage through the Marketplace or their state Medicaid/CHIP agency during OEP, or through the Marketplace during an SEP for which they were eligible;
 - Were assessed potentially Medicaid/CHIP-eligible and referred to their state's Medicaid agency for a final eligibility determination; and
 - Received a Medicaid/CHIP denial from the state after OE or their other SEP window ended.
- The SEP is available for 60 days from the date of the denial by the state.
- If a consumer is found ineligible for Medicaid/CHIP by the state, their account may be sent to the FFM via Inbound Account Transfer. The FFM will generate and mail the consumer a notice encouraging them to apply for Marketplace coverage and see if they can get help paying for it. Individuals don't need to wait to receive the Inbound AT notice from the FFM to apply for Marketplace coverage; to help prevent a gap in coverage, they should apply for Marketplace coverage as soon as they are notified by their state that they are not eligible for Medicaid/CHIP.

Applicable Rule(s) (Cont.)

- Such consumers who first applied at the Marketplace, during OE or during an SEP for which they were eligible, have the option to request a retroactive coverage effective date back to the effective date they would have received based on the date of their original Marketplace application, so long as they pay any outstanding premiums.
- Every time a consumer applies to the Marketplace and indicates they want to see if they can get help paying for coverage, their eligibility for Medicaid or CHIP will be reassessed based on factors including their household size and income, unless they attest to a Medicaid/CHIP denial by the state in the last 90 days, and also attest to no changes since the denial.
- Depending on the state in which a consumer submitting a Marketplace application resides, the Marketplace either makes the final determination of eligibility for MAGI-based Medicaid or CHIP (when the Marketplace is able to fully verify application information) or refers the applicant to the state's Medicaid or CHIP agency for a final eligibility determination.



Helpful Tips

- Remember, for Joanne to receive the SEP with a retroactive coverage effective date in this specific scenario, she and her son had to have applied through the Marketplace during OE or due to a qualifying event and received the Medicaid/CHIP denial from the state agency outside of OE or after their qualifying life event window ended.



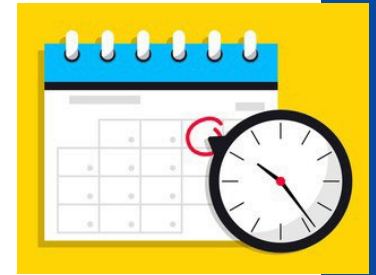
Helpful Tips (Cont.)

- In this scenario, once consumers have received their Medicaid or CHIP denial from the state agency, they should update their Marketplace application, including checking the box to indicate they have received a Medicaid or CHIP denial in the past 90 days and attest that they haven't had any income or household changes, as applicable, and answer related questions to see if they are eligible for an SEP.
- Consumers should never click the box on the Marketplace application stating they have received a Medicaid or CHIP denial before they actually receive notice of the denial. This is to ensure the consumer or the consumer's family member are not later determined eligible for and enrolled in Medicaid or CHIP and dually-enrolled in Marketplace coverage.



Applying the Rules to Joanne's Situation

- Joanne could request to have her son added to her original application for a QHP, which was effective January 1, 2023, but she will be liable for any outstanding premiums from January 1, 2023, to April 15, 2023.
- If she can pay the outstanding premiums from January, February, March, and April, the effective date can be changed to January 1, 2023, through the Marketplace casework system, and her son's hospitalization may be covered if the hospital providers are in network.



Knowledge Check #3

Consumers who receive a Medicaid or CHIP denial outside of OE are eligible for an SEP ONLY if they applied for coverage during OE or during another SEP window and were denied Medicaid or CHIP coverage after OE or their original SEP window ended (when the Medicaid Unwinding SEP is not in effect). How long do these consumers have to sign up for a Marketplace plan after they receive their denial?

- A. 30 days
- B. 45 days
- C. 60 days
- D. 90 days



Knowledge Check #3 Answer

Answer: C. 60 days.

The SEP eligibility period for most qualifying events is 60 days. This includes post-enrollment period Medicaid denials.



Knowledge Check #4

Consumers who qualify for an SEP to purchase a Marketplace plan due to a post-OE (or post-SEP) Medicaid/CHIP denial are not eligible to receive Marketplace coverage back to the effective date they would have received based on the date of their original Marketplace application.

- A. True
- B. False



Knowledge Check #4 Answer

Answer: **B. False**

If they originally applied at the Marketplace during OE or during a SEP window, consumers who qualify for an SEP to purchase a Marketplace plan due to a post-OE (or post-SEP) Medicaid/CHIP denial may be eligible to receive a retroactive coverage effective date back to the effective date they would have received based on the date of their original Marketplace application.



Knowledge Check #5

In order to receive coverage retroactively, what must the consumer do?

- A. Nothing
- B. Call the Marketplace Call Center
- C. Pay any outstanding premiums



Knowledge Check #5 Answer

Answer: **B and C**

- B. Call the Marketplace Call Center, AND
- C. Pay any outstanding premiums.

Consumers will not get retroactive coverage if they do not first call the Marketplace Call Center to request it. The system will default to coverage that is effective per accelerated prospective effective rules. (That is, coverage will start the first of the month following their date of plan selection.)



Additional Resources

For more information, visit:

- InsureKidsNow.gov
 - Available at: [Insurekidsnow.gov](https://insurekidsnow.gov)
- HealthCare.gov: Getting Medicaid & CHIP Coverage
 - Available at: [HealthCare.gov/medicaid-chip/getting-medicaid-chip/](https://healthcare.gov/medicaid-chip/getting-medicaid-chip/)
- Medicaid and CHIP Eligibility
 - [Medicaid.gov/medicaid/eligibility/index.html](https://www.medicicaid.gov/medicaid/eligibility/index.html)
 - [Medicaid.gov/chip/eligibility/index.html](https://www.medicicaid.gov/chip/eligibility/index.html)

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2. Under section 1905(a) of the Social Security Act
3. 42 C.F.R. 435.406
4. For more information, please see new special rules relating to Afghan Evacuees (Health Coverage Options for Afghan Evacuees at [Medicaid.gov/medicaid/eligibility/downloads/hlth-cov-option-afghan-evac-fact-sheet.pdf](https://www.Medicaid.gov/medicaid/eligibility/downloads/hlth-cov-option-afghan-evac-fact-sheet.pdf)), Certain Ukrainian Nationals (Health Coverage Options for Certain Ukrainian Nationals at [Medicaid.gov/medicaid/eligibility/downloads/hlth-cov-opt-fr-cer-ukrainian-natnls.pdf](https://www.Medicaid.gov/medicaid/eligibility/downloads/hlth-cov-opt-fr-cer-ukrainian-natnls.pdf)), and COFA migrants ([Medicaid.gov/federal-policy-guidance/downloads/sho21005.pdf](https://www.Medicaid.gov/federal-policy-guidance/downloads/sho21005.pdf))
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