

## Implementation of Healthy Montana Kids

### Source/authority: LFC Member Suggestion/Important Public Policy with Significant Fiscal and Programmatic Issues

**Background:** The Healthy Montana Kids Program (HMK) was enacted November 2008 by citizen initiative (I-155). The initiative expanded health care for low-income children, raising eligibility to 250 percent of the federal poverty level for the Children's Health Insurance Program (CHIP) and to 185 percent for the Medicaid program, and eliminating consideration of family assets for children in determining eligibility. The initiative diverted a portion of insurance license taxes to a state special revenue account to pay the CHIP and Medicaid match for enrollment levels above those on November 4, 2008 (about 64,000 children).

The legislature provided \$113 million for HMK - sufficient to expand enrollment by about 29,000 over the 2011 biennium. The appropriation funds CHIP eligibility at 250 percent of the federal poverty level and Medicaid eligibility at 133 percent of the federal poverty level. It also funds 24.00 FTE, with 12.00 of the FTE funded for the 2011 biennium only.

DPHHS expects to begin enrollment in HMK on October 1, 2009. Prior to that date, the Department of Public Health and Human Services (DPHHS) must:

- Submit CHIP and Medicaid state plan amendments and receive federal approval for the proposed changes
- Draft, publish, and implement final administrative rules
- Design and complete changes to complex automated eligibility, payment, accounting, and tracking processes, including development of an internet application and a "seamless" transition between CHIP and Medicaid eligibility for children as family income changes
- Hire and train new eligibility staff
- Train existing, and potentially recruit additional, enrollment partners, including health care providers
- Design and execute an outreach plan
- Maximize amount spent from the federal CHIP grant from October 1, 2009 to September 30, 2010 (federal fiscal year 2010) to establish a base level that may influence the CHIP grant Montana receives for several years
- Coordinate program development/initiation across several department divisions

Implementation of HMK is one of several vital issues that DPHHS must manage over the 2011 biennium. Other major activities include planning for reductions to implement the \$22 million in one-time general fund appropriations, tracking and reporting federal stimulus appropriations, developing a new Medicaid management information system, and potentially executing changes that might occur due to federal health care reform.

#### Requirements:

- Identification of a specific workgroup or assignment of monitoring HMK progress to another workgroup such as the goals/objectives workgroup
- Coordination and preparation of specific areas of interest and questions of the LFC and the workgroup
- Presentation of regular updates from DPHHS, which address specifically areas of interest to the LFC, with staff review and comments
- Identification of potential issues and options for LFC consideration with respect to HMK implementation

## APPENDIX B

**Staff Resources:** One lead staff has been identified to manage this process. This individual will work with LFC members and other LFD staff to implement the interim work requirements.

**Study Approach/Scope of Project:**

The following items will be addressed to monitor implementation of HMK:

1. Prepare specific questions/areas of interest of the LFC
2. Provide LFC comment to and receive information from DPHHS
3. Review DPHHS information and provide staff comments, issues, and options as appropriate

**Deliverables/End Product:**

The deliverables include progress reports from DPHHS with staff comment and LFC action as appropriate. If issues are identified that require amendments to statute or LFC appropriation recommendations, staff will prepare action items for LFC to make recommendations to the 2011 Legislature. Some of the end products may be indirectly related to HMK, but arise due to challenges or concerns identified during the LFC work.

**Proposal:** Approve a staff member to manage this process. This staff person will work with interested LFC members (or a workgroup) and other LFD staff to develop a strategic work plan, including goals, objectives and measurable criteria and an estimate of staff resources necessary for the project.

**Lead Staff:** Lois Steinbeck