

**WEST VIRGINIA'S APPLICATION FOR
STATE CHILD HEALTH PLAN UNDER TITLE XXI OF THE SOCIAL SECURITY ACT
STATE CHILDREN'S HEALTH INSURANCE PROGRAM**

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(Required under 4901 of the Balanced Budget Act of 1997 (New section 2101(b)))

State/Territory: _____ **State of West Virginia** _____

(Name of State/Territory)

As a condition for receipt of Federal funds under Title XXI of the Social Security Act,

(Signature of Governor of State/Territory, Date Signed)

submits the following State Child Health Plan for the State Children's Health Program and hereby agrees to administer the program in accordance with the provisions of the State Child Health Plan, the requirements of Title XXI and XIX of the Act and all applicable Federal regulations and other official issuances of the Department.

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0938-0707. The time required to complete this information collection is estimated to average 160 hours (or minutes) per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. If you have any comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: HCFA, P.O. Box 26684, Baltimore, Maryland 21207 and to the Office of the Information and Regulatory Affairs, Office of Management and Budget, Washington, D.C. 20503.

Proposed Effective Date **10/01/00**

Section 1. General Description and Purpose of the State Child Health Plans (Section 2101)

The state will use funds provided under Title XXI primarily for (Check appropriate box):

- 1.1. Obtaining coverage that meets the requirements for a State Child Health Insurance Plan (Section 2103); **OR**
- 1.2. Providing expanded benefits under the State's Medicaid plan (Title XIX); **OR**
- 1.3. A combination of both of the above.

Section 2. General Background and Description of State Approach to Child Health Coverage
(Section 2102 (a)(1)-(3)) and (Section 2105)(c)(7)(A)-(B))

- 2.1. Describe the extent to which, and manner in which, children in the state including targeted low-income children and other classes of children, by income level and other relevant factors, such as race and ethnicity and geographic location, currently have creditable health coverage (as defined in section 2110(c)(2)). To the extent feasible, make a distinction between creditable coverage under public health insurance programs and public-private partnerships (See Section 10 for annual report requirements).

West Virginia is combining Phase I (Medicaid expansion) children into the CHIP (Phase II) program, effective October 1, 2000. Upon approval, Phase I and Phase II will be combined into the WV CHIP Insurance Agency. The Recipient Automated Payment and Information Data System (RAPIDS) will generate a report listing all the children in Phase I. The Medicaid office will notify each Phase I family of the change in benefit structure from Medicaid to WV CHIP. Providers will be notified by the Public Employees Insurance Agency (PEIA) newsletter which is distributed on a quarterly basis. We will make every effort to make the transition of Phase I into Phase II as efficient as possible.

The Lewin Group estimates compiled in 1997 states that there are 700 uninsured children between the ages 1-5, and 10,000 between the ages of 6-18. In addition, according to the Lewin Group estimates there could be some children with limited coverage, a total of 1,700 between the ages of 1-5 and another 22,000 (including the 10,000 uninsured) ages 6-18 with limited coverage (for example, catastrophic or school insurance). WV believes that the Lewin Group is a reputable and reliable source for the number of potential/uninsured eligible population for the Children's Health Insurance Program. It is also our understanding that the Health Care Financing Administration has utilized the Lewin Group for the same kind of data.

SEE ATTACHMENT 2 for the average monthly number of children potential eligible for the WV CHIP at various income eligibility levels by current source of health insurance in 1998.

- 2.2. Describe the current state efforts to provide or obtain creditable health coverage for uncovered children by addressing: (Section 2102)(a)(2)
- 2.2.1. The steps the state is currently taking to identify and enroll all uncovered children who are eligible to participate in public health insurance programs (i.e. Medicaid and state-only child health insurance):

The West Virginia Title XXI State Plan will be conducted in compliance with

all civil rights issues.

Currently there are two public health coverage programs in West Virginia: the West Virginia Title XIX Medicaid program and the Maternal and Child Health Block Grant which is administered in conjunction with the Medicaid EPSDT Program by the West Virginia Department of Health and Human Resources (DHHR) Office of Maternal and Child Health within the Bureau for Public Health.

Eligibility for the West Virginia CHIP Program will be determined by the West Virginia Department of Health and Human Resources Recipient Automated Payment and Information Data System (RAPIDS) through a cooperative agreement between the West Virginia Department of Health and Human Resources and the West Virginia Department of Administration. There are fifty-four (54) local offices in West Virginia which cover the State's fifty-five (55) counties.

The combination of Phase I (Medicaid expansion) and Phase II benefits will be handled by the PEIA contractor. The contract plan will stipulate that the current community healthcare facilities, which are providing low-income families with healthcare services, be brought into the provider network. The intent is to provide consistency of healthcare for these children.

Out stationed workers are currently available in selected hospitals across the State through a cooperative agreement with the West Virginia Department of Health and Human Resources (WV DHHR) and the West Virginia Hospital Association. Primary care centers, Federally Qualified Health Centers (FQHC's), and Rural Health Clinics (RHC's) are also included in the out stationed worker program through a volunteer effort. Through a cooperative agreement with the West Virginia State Department of Education, all free or reduced lunch and textbook applications also include a section on Medicaid coverage which allows school officials to provide the Department of Health and Human Resources (DHHR) with the name, address and social security number of anyone wishing to obtain information about Medicaid and CHIP coverage. The Department then provides coverage information to the individual making the request. We were overwhelmed by the responses to the free and reduced lunch form, as we received in excess of 5,000. We sent applications to each of these families.

WV CHIP applications are made available not only by county DHHR offices but also at physicians' offices, hospitals, Federally Qualified Health Centers, Rural Health Centers and Child Care Centers. West Virginia

operates a toll-free “Hotline” which provides information regarding WV CHIP. The hours of operation are 8:00 a.m. through 4:30 p.m. Voice mail is activated after hours. Information is available to any caller via this toll free number (1-877-WVA-CHIP). The hotline staff can answer questions about the program and send out applications. The hotline is administered by PEIA and they receive approximately 600 telephone calls a month. On April 18, 2000, the hotline staff began tracking where the client heard about CHIP and also how they obtained the toll-free number.

- 2.2.2. The steps the state is currently taking to identify and enroll all uncovered children who are eligible to participate in health insurance programs that involve a public-private partnership:

The West Virginia CHIP program has used public service announcements and has worked directly with the public school system to enroll eligible children. The Recipient Automated Payment and Information System (RAPIDS) will provide a complete list of Phase I children so a letter can be sent to the family regarding the change in benefits from Medicaid to WV CHIP. We will also advise the providers that Phase I will combine into WV CHIP Phase II.

- 2.3. Describe how the new State Title XXI program(s) is(are) designed to be coordinated with such efforts to increase the number of children with creditable health coverage so that only eligible targeted low-income children are covered:

(Section 2102)(a)(3)

West Virginia is combining Phase I (Medicaid expansion) children into the WV CHIP Phase II program, effective October 1, 2000. All CHIP applicants will be screened first for Medicaid. The DHHR eligibility staff processes the application and investigates the availability of children’s health coverage. The Department of Health and Human Resources’ computerized eligibility system -RAPIDS (Recipient Automated Payment and Information Data System) determines eligibility for Medicaid (Title XIX)/CHIP (Title XXI). As WV CHIP transitions from the Department of Health and Human Resources to the Department of Administration, the Department of Administration will sign a memorandum of understanding to provide eligibility processing utilizing RAPIDS.

The contract plan will stipulate that the provider network will be expanded to include facilities that were previously treating low income children such as:

- **Primary Care Centers**
- **School-Based Health Centers**

Phase II children will have the freedom to choose the provider of their choice.

Section 3. General Contents of State Child Health Plan (Section 2102)(a)(4))

Check here if the State elects to use funds provided under Title XXI only to provide expanded eligibility under the state's Medicaid plan, and continue on to Section 4.

- 3.1. Describe the methods of delivery of the child health assistance using Title XXI funds to targeted low-income children: (Section 2102)(a)(4)

The State of West Virginia will provide health insurance benefits through a plan managed by the Children's Health Insurance Agency, within the Department of Administration and administered through a contract with PEIA, a program offering fee-for-service benefits under Phase II. Benefits and claims processing will be administered by PEIA, and eligibility will be determined by the West Virginia Department of Health and Human Resources utilizing Recipient Automated Payment and Information Data System (RAPIDS).

- 3.2. Describe the utilization controls under the child health assistance provided under the plan for targeted low-income children: (Section 2102)(a)(4)

The same utilization controls used in PEIA will also be used in Title XXI programs. The PEIA is set forth in West Virginia Code Section 5-16-1 et seq. Medical necessity, pre certification, prior-approval, fraud detection, audit and extensive reporting detailing utilization are provided for by PEIA and in its contract with its claims processing contractor, Blue Cross/Blue Shield of West Virginia until July 1, 2000. The new claims processor for PEIA will be Acordia National. Pharmacy claims processing and administration will be changing from PCS to Merck Medco.

WV PEIA quality assurance responsibilities are limited to the following:

- **Perform departmental audits for claims area.**
- **Perform departmental audits for customer services representatives.**
- **Monitors calls from customer services, parent complaints and membership areas.**
- **Individual audits upon request from management to identify specific processing issues.**
- **Prepare routine QA reports to management for use in evaluating employee and departmental performance.**
- **Provides monthly management reports on WV CHIP activity.**

Section 4. Eligibility Standards and Methodology. (Section 2102(b))

Check here if the state elects to use funds provided under Title XXI only to provide expanded eligibility under the state's Medicaid plan, and continue on to Section 5.

4.1. The following standards may be used to determine eligibility of targeted low-income children for child health assistance under the plan. Please note whether any of the following standards are used and check all that apply. If applicable, describe the criteria that will be used to apply the standard. (Section 2102)(b)(1)(A))

- 4.1.1. X Geographic area served by the Plan: **State of West Virginia**
- 4.1.2. X Age: **1 through 18**
- 4.1.3. X Income: **Up to and including 150% of the FPL**
- 4.1.4. Resources (including any standards relating to spend downs and disposition of resources): _____
- 4.1.5. X Residency: **State residents**
- 4.1.6. Disability Status (so long as any standard relating to disability status does not restrict eligibility): _____
- 4.1.7. X Access to or coverage under other health coverage: _____
- 4.1.8. X Duration of eligibility: **12 months**
- 4.1.9. Other standards (identify and describe):

4.2. The state assures that it has made the following findings with respect to the eligibility standards in its plan: (Section 2102)(b)(1)(B))

- 4.2.1. X These standards do not discriminate on the basis of diagnosis.
- 4.2.2. X Within a defined group of covered targeted low-income children, these standards do not cover children of higher income families without covering children with a lower family income.
- 4.2.3. X These standards do not deny eligibility based on a child having a pre-existing medical condition.

Currently, Medicaid covers children from birth to age one up to and including 150% of the FPL, ages one through five at 133% of FPL and ages six through 18 at 100% of the FPL. WV CHIP will combine Phase I (Medicaid expansion) into Phase II and cover children equal to or less than 150% of FPL.

4.3. Describe the methods of establishing eligibility and continuing enrollment.
(Section 2102)(b)(2)) **Through a cooperative agreement between the Department of Health and Human Resources and the Department of Administration, eligibility for Phase II will be processed through the West Virginia Department of Health and Human Resources (WV DHHR) Recipient Automated Payment and Information Data System (RAPIDS). This system is used to determine eligibility for all categories of Medicaid. Eligibility is determined according to categorical levels involving a cascade of options in the data system. Medicaid eligibility (Title XIX) is first determined. If not eligible for Medicaid, then the child is eligible to enroll in Title XXI through the PEIA administrator. At the end of the twelve-month continuous eligibility period redetermination will occur to ensure continued eligibility in the West Virginia Children's Health insurance Program.**

4.4. Describe the procedures that assure:

4.4.1. Through an intake and follow up screening, that only targeted low-income children who are ineligible for either Medicaid or other creditable coverage are furnished child health assistance under the state child health plan.

(Section 2102)(b)(3)(A)) **Income limits for eligibility for Title XXI will be higher than those for Title XIX. Though a face-to-face interview is required for Title XIX, this policy will not be in place for Title XXI. During the application process, the West Virginia Recipient Automated Payment and Information Data System (RAPIDS) will screen first for all categories for Medicaid. If not eligible for Medicaid, then the child is screened by RAPIDS for CHIP eligibility. The same disregards for income that have been used in Title XIX will also be used in Title XXI, for example, the definition of household will be the same, etc.**

Recertification is a twelve (12) month continuous eligibility process.

4.4.2. That children found through the screening to be eligible for medical assistance under the state Medicaid plan under Title XIX are enrolled for such assistance under such plan.

(Section 2102)(b)(3)(B)) **The State will use the same process mechanisms to determine eligibility for Title XIX and Title XXI. Eligible children will be enrolled in the appropriate program as determined by eligibility criteria.**

4.4.3. That the insurance provided under the state child health plan does not substitute for coverage under group health plans.

(Section 2102)(b)(3)(C)) **health care The State of West Virginia assures that insurance provided under Title XXI will not substitute for coverage under group health plans. There is a question on the application which addresses**

whether the child/children have had health insurance within the past six months. If so, there is a six months waiting period for availability of coverage. Questions on the application will allow WV CHIP to determine whether the child has been covered under insurance prior to application. Exceptions will be made for the following reasons:

If employer terminates coverage.

If a job is involuntarily terminated and family loses benefits.

Private insurance is not cost effective i.e., if employees family coverage exceeds 10% of family gross annual income.

Loss of coverage for child is due to a change in employment.

Loss of coverage was outside the control of an employee.

- 4.4.4. The provision of child health assistance to targeted low-income children in the state who are Indians (as defined in section 4© of the Indian Health Care Improvement Act, 25 U.S.C. 1603(c).

(Section 2102)(b)(3)(D)) The State of West Virginia assures the provision of child health assistance to targeted low-income children in the State who are Indians. All children in the State who may be eligible for assistance will be targeted through outreach efforts specifically outlined in Section 5. Through statewide coverage, the provision of health assistance will be ensured to targeted low-income children in the state who are Indians.

- 4.4.5. Coordination with other public and private programs providing creditable coverage for low-income children.

(Section 2102)(b)(3)(E)) The State of West Virginia assures coordination with other public and private programs providing creditable coverage for low-income children. West Virginia CHIP checks with the Health Care Financing Administration on coverage questions. The West Virginia Department of Health and Human Resources Recipient Automated Payment and Information Data System (RAPIDS) will determine whether the children are Medicaid eligible. The same process will apply to the redetermination letter. If the income of the family has decreased, the information will be acted upon by the Department of Health and Human Resources.

Refer to Section 4.4.2. for coordination efforts with the State Medicaid program.

Section 5. Outreach and Coordination (Section 2102(c))

Describe the procedures used by the State to accomplish:

- 5.1. Outreach to families of children likely to be eligible for assistance or under other public or private health coverage to inform them of the availability of, and to assist them in enrolling their children in such a program:

(Section 2102(c)(1))

Current Outreach efforts for WV CHIP will continue with the Healthy Kids Coalition. West Virginia is also talking with Kentucky regarding a partnership for advertising. In addition, West Virginia is looking at a statewide radio campaign to target children who may be WV CHIP eligible.

Out-stationed Workers

The WV CHIP office is using an abbreviated 2-page eligibility form that is provided to West Virginia applicants and is a joint application with Medicaid in a postage-paid return-mail envelope. A centralized WV CHIP mailing location has been established and eligibility will be determined by the West Virginia Department of Health and Human Resources staff. The WV CHIP office will work with the Healthy Kids Coalition in relation to outreach. There are nine (9) out-stationed coordinators working throughout the State for the Healthy Kids Coalition.

The WV CHIP and the West Virginia Department of Education have a cooperative agreement that includes providing a section about WV CHIP and Medicaid on all free or reduced lunch and textbook applications. This application is distributed to all school children in the State and will be expanded to include a section on Title XXI.

The “WV CHIP Hotline” is a toll-free statewide telephone number that provides information, resources and referrals to callers about available assistance programs including Medicaid (Title XIX) and WV CHIP (Title XXI). Title XXI applications and program information are available from the hotline which has been publicized with the program.

Special Outreach Efforts

WV CHIP (Title XXI) has developed and successfully used an abbreviated, two-page, postage-paid, return-mail application form. This same form will remain available in appropriate community sites such as schools, libraries, pediatric clinics, physicians’ and dentists’ offices, primary care centers, Federally Qualified Health Centers, Rural Health Clinics, and other willing businesses and retailers that either employ parents with children that are potentially eligible, or provide services to these potentially eligible children. Such businesses and retailers include fast-food restaurants, discount stores, community centers, grocery and convenience stores, and senior centers. Applications can also be obtained at the local Department of

Health and Human Resources offices.

The postage paid, return-mail application allows applicants to apply at no cost. Verification of income is required and must be attached to the return-mail application. Applicants are not required to visit their local Department of Health and Human Resources office to complete program applications.

Outreach also includes efforts of the WV Children’s Healthy Kids Coalition comprised of numerous community groups including the WV Council of Churches. Together the two organizations are securing private funding for outreach and working with local communities for specialized efforts to encourage potentially eligible parents to enroll. The Department’s local county offices’ Community Services Managers have successfully conducted informational meetings in numerous locations statewide. These meetings have been conducted in partnership with other community agencies. The goal being to inform communities about the program and to facilitate families or eligible children to enroll in the program. The Office of Maternal and Child Health Pediatric Specialists, who regularly interface with the medical community distribute information about CHIP including the application. Also, family outreach workers who live in the community where they work, provide information to families about the availability of CHIP, including assistance with applications.

- 5.2. Coordination of the administration of this program with other public and private health insurance programs:

(Section 2102(c)(2))

Through a cooperative agreement between the Department of Health and Human Resources and the Department of Administration eligibility determination will be made through the West Virginia Department of Health and Human Resources Recipient Automated Payment and Information Data System (RAPIDS). The WV CHIP will use the “crowd out” policy: this will not permit children who have had insurance in the past 6 months to participate.

Section 6. Coverage Requirements for Children’s Health Insurance (Section 2103)

Check here if the state elects to use funds provided under Title XXI only to provide expanded eligibility under the state’s Medicaid plan, and continue on to Section 7.

- 6.1. The state elects to provide the following forms of coverage to children:

(Check all that apply.)

- 6.1.1. Benchmark coverage; (Section 2103(a)(1))

- 6.1.1.1. FEHBP-equivalent coverage; (Section 2103(b)(1))
(If checked, attach copy of the plan.)
- 6.1.1.2. **X** State employee coverage; (Section 2103(b)(2)) (If checked, identify the plan and attach a copy of the benefits description.)

See ATTACHMENT 3 for complete benchmark benefit plan.

- 6.1.1.3. HMO with largest insured commercial enrollment (Section 2103(b)(3))
(If checked, identify the plan and attach a copy of the benefits description.) _____
- 6.1.2. **X** Benchmark-equivalent coverage; Specify the coverage, including the amount, scope and duration of each service, as well as any exclusions or limitations. Please attach signed actuarial report that meets the requirements specified in Section 2103(c)(4).

(Section 2103(a)(2)) An updated actuarial certification is not required by the Health Care Financing Administration to move Phase I (Medicaid expansion) children into Phase II. For the three-year budget (see ATTACHMENT I).

- 6.1.3. Existing Comprehensive State-Based Coverage; (Section 2103(a)(3)) [Only applicable to New York; Florida; Pennsylvania] Please attach a description of the benefit's package, administration, date of enactment. If "existing comprehensive state-based coverage" is modified, please provide an actuarial opinion documenting that the actuarial value of the modification is greater than the value as of 8/5/97 or one of the benchmark plans. Describe the fiscal year 1996 state expenditures for "existing comprehensive state-based coverage."

- 6.1.4. Secretary-Approved Coverage. (Section 2103(a)(4))

- 6.2. The state elects to provide the following forms of coverage to children:
(Check all that apply. If an item is checked, describe the coverage with respect to the amount, duration and scope of services covered, as well as any exclusions or limitations)
(Section 2110(a))

- 6.2.1. **X** Inpatient services
(Section 2110(a)(1)) **Confinement in a hospital including semi-private room, special care units, confinement for detoxification, and related services and supplies during the confinement. Hospital services for pre-natal care is covered until pregnancy is verified and the child is**

enrolled in Medicaid or Title V.

- 6.2.2. X Outpatient services
(Section 2110(a)(2)) **The PEIA provides benefits for covered diagnostic services, therapies, laboratory, radiology, and surgeries provided in a hospital, alternative facility or physician's office. Outpatient procedures requiring pre-certification are arthroscopy of the knee; cataract extraction; colonoscopy; laparoscopy (except for sterilization); septoplasty or submucosa resection; tonsillectomy with or without adenoidectomy; unless the procedure is performed on an emergency basis.**
- 6.2.3. X Physician services
(Section 2110(a)(3)) **Professional services of a physician or other licensed provider for treatment of an illness, injury or medical condition. Includes outpatient and inpatient services (such as surgery, anesthesia, radiology, and office visits). A physician fee for prenatal care is a covered benefit until pregnancy is verified and the child is enrolled in Medicaid or Title V.**
- 6.2.4. X Surgical services (Section 2110(a)(4))
- 6.2.5. X Clinic services (including health center services) and other ambulatory health care services.
(Section 2110(a)(5)) **The PEIA provides benefits for covered diagnostic services, therapies, laboratory, radiology, and surgeries provided in a hospital outpatient setting or in an ambulatory surgical facility. Immunizations are covered.**
- 6.2.6. X Prescription drugs
(Section 2110(a)(6)) **Prescription benefit services are covered with mandatory generic substitution, which includes oral contraceptives.**
- 6.2.7. Over-the-counter medications (Section 2110(a)(7))
- 6.2.8. X Laboratory and radiological services (Section 2110(a)(8))
- 6.2.9. X Prenatal care and prepregnancy family services and supplies
(Section 2110(a)(9)) **Prenatal care services are covered until member is enrolled in Medicaid, or Title V/Maternal Child Health Services. Income limits for pregnant women are simply 150% of Federal Poverty Level. Pre pregnancy family services and supplies, excluding tubal ligations and vasectomies, are covered. Oral contraceptives are included within the pharmacy benefit services. Contraceptive devices and contraceptive implants will be covered under medical services.**

- 6.2.10. X Inpatient mental health services, other than services described in 6.2.18., but including services furnished in a state-operated mental hospital and including residential or other 24-hour therapeutically planned structural services
Section 2110(a)(10)) Partial hospitalization and day programs for mental health and chemical dependency are covered when ordered by a licensed provider. Limited to 30 days per calendar year. Maybe extended if determined medically necessary.
- 6.2.11. X Outpatient mental health services, other than services described in 6.2.19, but including services furnished in a state-operated mental hospital and including community-based services
(Section 2110(a)(11) Coverage is limited to 26 visits per calendar year, for short-term individual or group outpatient mental health evaluation and referral, diagnostic, therapeutic, and crisis intervention services. Maybe extended if medically necessary.
- 6.2.12. X Durable medical equipment and other medically-related or remedial devices (such as prosthetic devices, implants, eyeglasses, hearing aids, dental devices, and adaptive devices)
(Section 2110(a)(12)) Coverage for the initial purchase and reasonable replacement of standard implant and prosthetic devices, and for the rental or purchase (at the Plan's discretion) of standard durable medical equipment, when prescribed by a physician. Prosthetics and durable medical equipment purchases or rentals must be pre-certified.
- Eyeglasses or contacts are limited to \$100 per each 12-month period of eligibility. This amount may be increased with either prior approval and/or determined medical necessary.**
Hearing aids are covered if they are determined to be medically necessary with prior approval. Effective July 1, 2000 all infants at the time of birth will be screened for hearing loss. All information on children with a medically confirmed hearing loss will be reported to the Office of Maternal and Child Health by the hospital.
- 6.2.13. X Disposable medical supplies
(Section 2110(a)(13)) Therapeutic only.
- 6.2.14. X Home and community-based health care services (See instructions) **(Section 2110(a)(14)) Home and community-based health care services are covered. Limited to 5 visits with a retrospective prior authorization. There is maximum of 25 2-hour visits per year.**
- 6.2.15. X Nursing care services (See instructions) **(Section 2110(a)(15))**

- 6.2.16. X Abortion only if necessary to save the life of the mother or if the pregnancy is the result of an act of rape or incest
(Section 2110(a)(16) **A physician shall provide written certification of medically-necessary abortions. All services require prior approval unless a medical emergency exists which endangers the life of the mother.**)
- 6.2.17. X Dental services
(Section 2110(a)(17) **Dental services including routine exams (annual), preventive, therapeutic and emergency services are covered. Does not cover cosmetic procedures, orthodontics or dentures, except in the case of mandibular degeneration.**)
- 6.2.18. X Inpatient substance abuse treatment services and residential substance abuse treatment services
(Section 2110(a)(18)) **Inpatient substance abuse treatment is limited to acute detoxification. Covered benefit up to 30 days per year when determined medically necessary.**
- 6.2.19. X Outpatient substance abuse treatment services
(Section 2110(a)(19)) **More than 26 visits per year (combined with the outpatient mental health visits) require pre-certification from PEIA's third party administrator. Psychological testing over and above the 26 visits will also require pre-certification from the mental health case manager or PEIA.**
- 6.2.20. X Case management services (Section 2110(a)(20))
- 6.2.21. X Physical therapy, occupational therapy, and services for individuals with speech, hearing, and language disorders
(Section 2110(a)(22)) **Physical therapy is a covered benefit to 20 visits maximum per year with prior approval. Occupational therapy assistance in (re)learning daily living/retraining work activities is covered to \$1,000 maximum per year with prior approval. Speech therapy is covered to \$1,000 authorization year maximum when determined medically necessary. Hearing services covered to include annual exams and hearing aids when determined medically necessary and with prior approval/authorization.**
- 6.2.22. X Hospice care (Section 2110(a)(23))
- 6.2.23. X Any other medical, diagnostic, screening, preventive, restorative, remedial, therapeutic, or rehabilitative services. (See instructions) (Section 2110(a)(24))
Eye exams for prescriptive lenses are limited to one visit per year.

- 6.2.24. Premiums for private health care insurance coverage (Section 2110(a)(25))
 - 6.2.25. X Medical transportation
(Section 2110(a)(26)) **Ground or air ambulance transportation, when medically necessary, to the nearest facility able to provide necessary treatment.**
 - 6.2.26. Enabling services (such as transportation, translation, and outreach services (See instructions) (Section 2110(a)(27))
 - 6.2.27. Any other health care services or items specified by the Secretary and not included under this section (Section 2110(a)(28))
- 6.3. **Waivers - Additional Purchase Options.** If the state wishes to provide services under the plan through cost effective alternatives or the purchase of family coverage, it must request the appropriate waiver. Review and approval of the waiver application(s) will be distinct from the state plan approval process. To be approved, the state must address the following: (Section 2105(c)(2) and(3))
- 6.3.1. **Cost Effective Alternatives.** Payment may be made to a state in excess of the 10% limitation on use of funds for payments for: 1) other child health assistance for targeted low-income children; 2) expenditures for health services initiatives under the plan for improving the health of children (including targeted low-income children and other low-income children); 3) expenditures for outreach activities as provided in section 2102(c)(1) under the plan; and 4) other reasonable costs incurred by the state to administer the plan, if it demonstrates the following:
 - 6.3.1.1. Coverage provided to targeted low-income children through such expenditures must meet the coverage requirements above; **Describe the coverage provided by the alternative delivery system. The state may cross reference section 6.2.1 - 6.2.28.** (Section 2105(c)(2)(B)(I))
 - 6.3.1.2. The cost of such coverage must not be greater, on an average per child basis, than the cost of coverage that would otherwise be provided for the coverage described above; and **Describe the cost of such coverage on an average per child basis.** (Section 2105(c)(2)(B)(ii))
 - 6.3.1.3. The coverage must be provided through the use of a community-based health delivery system, such as through contracts with health centers receiving funds under section 330 of the Public

Health Service Act or with hospitals such as those that receive disproportionate share payment adjustments under section 1886(d)(5)(F) or 1923 of the Social Security Act. **Describe the community based delivery system.** (Section 2105(c)(2)(B)(iii))

6.3.2. **Purchase of Family Coverage.** Describe the plan to provide family coverage. Payment may be made to a state for the purpose of family coverage under a group health plan or health insurance coverage that includes coverage of targeted low-income children, if it demonstrates the following: (Section 2105(c)(3))

6.3.2.1. Purchase of family coverage is cost-effective relative to the amounts that the state would have paid to obtain comparable coverage only of the targeted low-income children involved; and **(Describe the associated costs for purchasing the family coverage relative to the coverage for the low income children.)** (Section 2105(c)(3)(A))

6.3.2.2. The state assures that the family coverage would not otherwise substitute for health insurance coverage that would be provided to such children but for the purchase of family coverage. (Section 2105(c)(3)(B))

Section 7. Quality and Appropriateness of Care

Check here if the state elects to use funds provided under Title XXI only to provide expanded eligibility under the state's Medicaid plan, and continue on to Section 8.

7.1. Describe the methods (including external and internal monitoring) used to assure the quality and appropriateness of care, particularly with respect to well-baby care, well-child care, and immunizations provided under the plan.

2102(a)(7)(A))

The West Virginia Children's Health Insurance Program, via the Public Employees Insurance Agency's claims processing and utilization management contractors, Acordia National and Intracorp, will provide a comprehensive quality assurance program addressing:

Appropriateness of care;

Quality of care;

Compliance with immunization schedules, well baby and well child exams;

Provision of case management services to children with special needs.

The elimination of those providers that are barred from participation in Medicare/Medicaid.

Diagnoses identified through the utilization management contractors that warrant review for chronic, high-cost, or special needs consideration will be referred to an individual case manager who will coordinate care as appropriate. Flagged diagnoses may reflect such conditions as:

- **Asthma**
- **Cerebral Palsy**
- **Diabetes**
- **Seizure Disorders**
- **Leukemia**
- **Sickle Cell Anemia**
- **Emotional Behavioral Conditions**

WV CHIP will pursue the above objectives through a variety of strategies including:

- **Identification of children with special needs through a question on the application and a simple questionnaire to beneficiaries, parents and guardians sent through the benefit welcome kit. The Office of Maternal Child and Health will forward to the CHIP Office any child who is in the Children with Special Health Care Needs (CSHCN) Program which are CHIP eligible.**
- **The tracking of complaint data received by the toll free number, the WV CHIP central office and the contract agencies.**
- **An annual satisfaction survey of parents/guardians.**
- **Through discussions with the health care community via provider workshops, newsletters and periodic contacts with their association representatives.**
- **Through consumer education utilizing newsletters to beneficiary families; information dissemination with outreach workers and public relations activities.**

On a monthly basis, the WV CHIP will be receiving utilization management reports detailing the top diagnostic categories of CHIP beneficiaries. This will better position the program to track trends and will facilitate the development of appropriate intervention strategies.

Through PEIA, the WV CHIP will have access to comparative data from other states, through Intracorp's "Center of Excellence in State Government." Not only will this enable the program to better assess our standing in relation to national

trends, but will permit a broader discussion on innovative approaches used elsewhere.

The Office of Maternal and Child Health codified the birth score in 1998, which requires all birthing facilities to evaluate newborns for risk factors that could result in post neonatal mortality. Infants identified as “high risk/high score” are to receive six pediatric visits in the first six months of life as opposed to the AAP standard of six visits in the first twelve months. The medical community (pediatricians, family practitioners, etc.) have all been provided with information on this issue. In addition, many of these infants are followed by community-based Right From The Start personnel.

The use of prevention services may be evaluated through the following measures:

- Well-child screening rate, by age (American Association of Pediatricians standards)
 - Infants
 - ages 1-4 years.
 - ages 5-11 years.
 - ages 12-18 years.
- Appropriate immunizations at age 2 years.

Will the state utilize any of the following tools to assure quality?
(Check all that apply and describe the activities for any categories utilized.)

- 7.1.1. X Quality standards
- 7.1.2. X Performance measurement
- 7.1.3. X Information strategies
- 7.1.4. X Quality improvement strategies

7.2. Describe the methods used, including monitoring, to assure access to covered services, including emergency services.

(2102(a)(7)(B)) **Department of Insurance laws on access with prudent layperson standards on emergency care.**

See section 7.1 for monitoring and complaint tracking related to utilization control strategies.

Section 8. Cost Sharing and Payment (Section 2103(e))

Check here if the state elects to use funds provided under Title XXI only to provide expanded eligibility under the state’s Medicaid plan, and continue on

to Section 9.

8.1. Is cost-sharing imposed on any of the children covered under the plan?

8.1.1. YES, go to question 8.2.

8.1.2. X **NO, skip to question 8.5.**

8.2. Describe the amount of cost-sharing and any sliding scale based on income:
(Section 2103(e)(1)(A))

8.2.1. Premiums : NA

8.2.2. Deductibles: NA

8.2.3. Coinsurance: NA

8.2.4. Other: NA

8.3. Describe how the public will be notified of this cost-sharing and any differences based on income:

8.4. The state assures that it has made the following findings with respect to the cost sharing and payment aspects of its plan: (Section 2103(e))

8.4.1. Cost-sharing does not favor children from higher income families over lower income families. (Section 2103(e)(1)(B))

8.4.2. No cost-sharing applies to well-baby and well-child care, including age-appropriate immunizations. (Section 2103(e)(2))

8.4.3. No child in a family with income less than 150% of the Federal Poverty Level will incur cost-sharing that is not permitted under 1916(b)(1).

8.4.4. No Federal funds will be used toward state matching requirements. (Section 2105(c)(4))

8.4.5. No premiums or cost-sharing will be used toward state matching requirements. (Section 2105(c)(5))

8.4.6. No funds under this title will be used for coverage if a private insurer would have been obligated to provide such assistance except for a provision limiting this obligation because the child is eligible under the this title.
(Section 2105(c)(6)(A))

- 8.4.7. Income and resource standards and methodologies for determining Medicaid eligibility are not more restrictive than those applied as of June 1, 1997. (Section 2105(d)(1))
- 8.4.8. No funds provided under this title or coverage funded by this title will include coverage of abortion except if necessary to save the life of the mother or if the pregnancy is the result of an act of rape or incest. (Section 2105(c)(7)(B))
- 8.4.9. No funds provided under this title will be used to pay for any abortion or to assist in the purchase, in whole or in part, for coverage that includes abortion (except as described above). (Section 2105(c)(7)(A))
- 8.5. Describe how the state will ensure that the annual aggregate cost-sharing for a family does not exceed 5 percent of such family's annual income for the year involved: (Section 2103(e)(3)(B))
- 8.6. The state assures that, with respect to pre-existing medical conditions, one of the following two statements applies to its plan:
 - 8.6.1. **X** The state shall not permit the imposition of any pre-existing medical condition exclusion for covered services (Section 2102(b)(1)(B)(ii)); **OR**
 - 8.6.2. The state contracts with a group health plan or group health insurance coverage, or contracts with a group health plan to provide family coverage under a waiver (see Section 6.3.2. of the template). Pre-existing medical conditions are permitted to the extent allowed by HIPAA/ERISA (Section 2109(a)(1),(2)). Please describe:

Section 9. Strategic Objectives and Performance Goals for the Plan Administration (Section 2107)

- 9.1. Describe strategic objectives for increasing the extent of creditable health coverage among targeted low-income children and other low-income children: (Section 2107(a)(2))
 - 1. **Previously uninsured children ages one (1) through eighteen (18) years who are potentially eligible for West Virginia's Title XXI Program will be identified through ongoing and new outreach activities.**
 - 2. **Phase I children will be identified through a list provided by the West Virginia Department of Health and Human Resources Recipient Automated Payment and Information Data System (RAPIDS), so each family can be notified of the change in benefits from Medicaid to WV CHIP. Individuals with incomes equal to or less than 150% of the FPL without insurance**

coverage will be eligible for health insurance coverage through West Virginia's Title XXI Program.

3. **Children who are enrolled in West Virginia's Title XXI Program will have an accessible health care source.**
4. **West Virginia's Title XXI Program will result in the improved health of children enrolled in the program and will improve the overall health care system by focusing on preventive measures as well as acute care services.**

- 9.2. Specify one or more performance goals for each strategic objective identified: (Section 2107(a)(3))

Performance Goal/Objective 1:

Beginning October 1, 2000, new initiatives, as well as ongoing outreach efforts, will be implemented. All outreach activities specified in Section 5 will be in place.

Performance Goal/Objective 2:

Beginning October 1, 2000, West Virginia CHIP Phase I (Medicaid expansion) will be combined with Phase II of the West Virginia CHIP.

Performance Goal/Objective 3:

Beginning October 1, 2000, all children who are enrolled in West Virginia's Title XXI will have a system of primary care providers available for immediate access. Also, any provider willing to accept the reimbursement rate can treat children.

Performance Goal/Objective 4:

Over time, West Virginia will show increased access and usage of health care services by children ages one (1) through eighteen (18) equal to or less than 150% (children not eligible for Medicaid) through statistical data. This data will reflect an increase in well-child visits as well as immunization rates for children in these coverage groups. Other outcome data will be developed in order to further track usage.

- 9.3. Describe how performance under the plan will be measured through objective, independently verifiable means and compared against performance goals in order to determine the state's performance, taking into account suggested performance indicators as specified below or other indicators the state develops:

(Section 2107(a)(4)(A),(B))

Assurance of an Objective Means for Measuring Performance

West Virginia will utilize RAPIDS to track all children enrolled in the Title XXI Children’s Health Insurance Program.

Data will be generated to give statewide demographic information on all children enrolled in the WV CHIP program. Comparison data will be collected for immunizations, well-child visits, and services by specialty providers. West Virginia currently collects data on diabetes and asthma and will continue to do so for this child population.

Check the applicable suggested performance measurements listed below that the state plans to use: (Section 2107(a)(4))

- 9.3.1. **X** The increase in the percentage of Medicaid-eligible children enrolled in Medicaid.
- 9.3.2. **X** The reduction in the percentage of uninsured children.
- 9.3.3. **X** The increase in the percentage of children with a usual source of care.
- 9.3.4. **X** The extent to which outcome measures show progress on one or more of the health problems identified by the state.
- 9.3.5. HEDIS Measurement Set relevant to children and adolescents younger than 19.

NOTE: While we are not collecting HEDIS data we have the capacity to generate information on specific illnesses.

- 9.3.6. Other child appropriate measurement set. List or describe the set used.
- 9.3.7. If not utilizing the entire HEDIS Measurement Set, specify which measures will be collected, such as:
 - 9.3.7.1. **X** Immunizations
 - 9.3.7.2. **X** Well child care
 - 9.3.7.3. **X** Adolescent well visits
 - 9.3.7.4. **X** Satisfaction with care
 - 9.3.7.5. **X** Mental health
 - 9.3.7.6. **X** Dental care

9.3.7.7. Other, please list: _____

9.3.8. Performance measures for special targeted populations.

9.4. **X** The state assures it will collect all data, maintain records and furnish reports to the Secretary at the times and in the standardized format that the Secretary requires. (Section 2107(b)(1))

9.5. **X** The state assures it will comply with the annual assessment and evaluation required under Section 10.1. and 10.2. (See Section 10) Briefly describe the state's plan for these annual assessments and reports. (Section 2107(b)(2))

West Virginia must, under State law, provide to the State Legislature, at least on a quarterly basis, statistical data on the Children's Health Insurance Program which will reflect total number of children enrolled, breakdown by age, the average annual cost of coverage per recipient, and the total cost of these services by provider.

West Virginia will also, on a quarterly basis, produce reports which outline the number of well-child visits, immunizations, emergency visits, and mental health visits. These services will be broken down by provider specialty and will be compared to access standards for the overall Medicaid child population.

State adopted legislation (WV Code § 9-4A-2b) requires that a report be made to the Governor and the State Legislature regarding outreach activities and the quality and effectiveness of the health care delivered to children in the program. Satisfaction surveys and health status indicators are required. Statistical profiles of the families served shall be included.

9.6. **X** The state assures it will provide the Secretary with access to any records or information relating to the plan for purposes of review of audit. (Section 2107(b)(3))

9.7. **X** The state assures that, in developing performance measures, it will modify those measures to meet national requirements when such requirements are developed.

9.8. The state assures, to the extent they apply, that the following provisions of the Social Security Act will apply under Title XXI, to the same extent they apply to a state under Title XIX: (Section 2107(e))

9.8.1. **X** Section 1902(a)(4)(C) (relating to conflict of interest standards)

- 9.8.2. X Paragraphs (2), (16) and (17) of Section 1903(I) (relating to limitations on payment)
 - 9.8.3. X Section 1903(w) (relating to limitations on provider donations and taxes)
 - 9.8.4. X Section 1115 (relating to waiver authority)
 - 9.8.5. X Section 1116 (relating to administrative and judicial review), but only insofar as consistent with Title XXI
 - 9.8.6. X Section 1124 (relating to disclosure of ownership and related information)
 - 9.8.7. X Section 1126 (relating to disclosure of information about certain convicted individuals)
 - 9.8.8. X Section 1128A (relating to civil monetary penalties)
 - 9.8.9. X Section 1128B(d) (relating to criminal penalties for certain additional charges)
 - 9.8.10.X Section 1132 (relating to periods within which claims must be filed)
- 9.9. Describe the process used by the state to accomplish involvement of the public in the design and implementation of the plan and the method for insuring ongoing public involvement. (Section 2107(c))

Combination of Phase I (Medicaid expansion) into Phase II of WV CHIP has given interested and affected persons an opportunity to offer comment on the plan at public meetings of the board. It is board practice or policy to always provide an opportunity for public comment and West Virginia follows all public notice requirements. Comments have been solicited in writing from interested and affected persons. Moving the children from Phase I to Phase II has been based on this input.

The WV CHIP plan will be placed in each of the County offices, inviting public comment. The public notice will be posted in the local Social Security offices.

Also, the WV CHIP plan will be online at the Department of Health and Human Resources Internet site for public viewing and comment. Upon completion of the transition from the Department of Health and Human Resources to the Department of Administration, WV CHIP will design its own web site.

The WV CHIP board meetings are held about once a month and they are advertised in newspapers by registry. The WV CHIP is required to give ten days' notice prior to board meetings. Every board meeting has been well attended, and time was allotted at each meeting for public comment and inquiry.

- 9.10. Provide a budget for this program. Include details on the planned use of funds and sources of the non-Federal share of plan expenditures. (Section 2107(d))

The annual budget for federal fiscal year 2001 for Phase II, including the incorporation of the Phase I children, is \$12,399,119 in federal funding and \$2,586,521 in state funds. (SEE ATTACHMENT I for budget detail.)

The West Virginia Legislature appropriated \$5,000,000 from general revenue funds in the fiscal year ending June 30, 1999 for the first year of the Title XXI Children's Health Insurance Program as well as an additional \$3,000,000 in the fiscal year ending June 30, 2000 and \$3,000,000 in the fiscal year ending June 30, 2001. These appropriations have carry-over spending authority in order to assure sufficient matching funds for future expansion.

Section 10. Annual Reports and Evaluations (Section 2108)

- 10.1. Annual Reports. The state assures that it will assess the operation of the state plan under this Title in each fiscal year, including: (Section 2108(a)(1),(2))

10.1.1. **X** The progress made in reducing the number of uncovered low-income children and report to the Secretary by January 1 following the end of the fiscal year on the result of the assessment, and

10.1.2. **X** Report to the Secretary, January 1 following the end of the fiscal year, on the result of the assessment.

Below is a chart listing the types of information that the state’s annual report might include. Submission of such information will allow comparisons to be made between states and on a nationwide basis.

<u>Attributes of Population</u>	<u>Number of Children with Creditable Coverage</u> <u>XIX</u> <u>OTHER CHIP</u>	Number of Children without Creditable Coverage	TOTAL
Income Level:			
< 100%			
≤ 133%			
≤ 185%			
≤ 200%			
> 200%			
<u>Age</u>			
0 - 1			
1 - 5			
6 - 12			
13 - 18			
<u>Race and Ethnicity</u>			
American Indian or Alaskan Native			
Asian or Pacific Islander			
Black, not of Hispanic origin			
Hispanic			
White, not of Hispanic origin			
<u>Location</u>			
MSA			
Non-MSA			

- 10.2. **X** State Evaluations. The state assures that by March 31, 2000 it will submit to the Secretary an evaluation of each of the items described and listed below: **(Section 2108(b)(A)-(H))**
- 10.2.1. **X** An assessment of the effectiveness of the state plan in increasing the number of children with creditable health coverage.
- 10.2.2. A description and analysis of the effectiveness of elements of the state plan, including:
- 10.2.2.1. **X** The characteristics of the children and families assisted under the state plan including age of the children, family income, and the assisted child's access to or coverage by other health insurance prior to the state plan and after eligibility for the state plan ends;
- 10.2.2.2. **X** The quality of health coverage provided including the types of benefits provided;
- 10.2.2.3. **X** The amount and level (including payment of part or all of any premium) of assistance provided by the state;
- 10.2.2.4. **X** The service area of the state plan;
- 10.2.2.5. **X** The time limits for coverage of a child under the state plan;
- 10.2.2.6. **X** The state's choice of health benefits coverage and other methods used for providing child health assistance, and
- 10.2.2.7. **X** The sources of non-Federal funding used in the state plan.
- 10.2.3. **X** An assessment of the effectiveness of other public and private programs in the state in increasing the availability of affordable quality individual and family health insurance for children.
- 10.2.4. **X** A review and assessment of state activities to coordinate the plan under this Title with other public and private programs providing health care and health care financing, including Medicaid and maternal and child health services.
- 10.2.5. **X** An analysis of changes and trends in the state that affect the provision of accessible, affordable, quality health insurance and health care to children.
- 10.2.6. **X** A description of any plans the state has for improving the availability of health insurance and health care for children.

- 10.2.7. **X** Recommendations for improving the program under this Title.
- 10.2.8. **X** Any other matters the state and the Secretary consider appropriate.
- 10.3. **X** The state assures it will comply with future reporting requirements as they are developed.
- 10.4. **X** The state assures that it will comply with all applicable Federal laws and regulations, including but not limited to Federal grant requirements and Federal reporting requirements.