

FLORIDA AGENCY FOR HEALTH CARE ADMINISTRATION

NEW 5-YEAR SECTION 1115 DEMONSTRATION REQUEST FULL PUBLIC NOTICE

The Florida Agency for Health Care Administration (AHCA) intends to submit to the Centers for Medicare & Medicaid Services (CMS) a proposal to implement a new title XXI section 1115 demonstration to offer income eligibility for the State’s Children’s Health Insurance Program (CHIP) from above 200 percent of the federal poverty level (FPL) up to 300 percent of the FPL, with premium requirements. The proposed new 5-year demonstration will be called the “Children’s Health Insurance Program Eligibility Extension.”

Pursuant to CMS requirements for new, initial section 1115 demonstration programs, AHCA is providing this full public notice in alignment with federal public notice rules at 42 CFR 431.408 to describe the key components of the proposed demonstration. The proposed draft application and other related public notice materials are available for review and public input for a minimum 30-day period starting January 23, 2024 at 3:00 pm EST, through February 21, 2024 at 3:00 pm EST, as described in this notice.

I. CHIP Program Overview and Demonstration Description

CHIP Program Overview

Florida’s CHIP, called “Florida KidCare,” encompasses four partner programs, that together with the availability of full-pay options for those who do not qualify for subsidized coverage matched by the federal government, offers coverage for all children in the State of Florida.

The four programs that comprise Florida KidCare are:

1. **Medicaid for children** – Title XIX medical coverage to eligible children up to 1-year-old with family income that does not exceed 200 percent of the FPL and to eligible children, ages 1-18, with family income that does not exceed 133 percent of the FPL.
2. **MediKids Program** – MediKids provides low-cost health insurance for children ages 1 through 4. The MediKids program is similar to Medicaid. Children enrolled in the MediKids program receive medical services and benefits from Medicaid providers through Medicaid’s Managed Medical Assistance (MMA) program. The program charges monthly premiums but does not impose any other form of beneficiary cost-sharing (i.e., no deductibles, co-payments, or coinsurance).
3. **Children’s Medical Services (CMS)** – CMS is a collection of programs that provides a statewide managed care system for children (under age 19) with special health care needs and provides essential preventive, evaluative, and early intervention services for at-risk children.

4. **Florida Healthy Kids Program** – Florida Healthy Kids offers quality, affordable, child-centered health and dental insurance for children ages 5 through 18. Florida Healthy Kids has a subsidized plan for families who exceed the income eligibility threshold for Medicaid, as well as full-pay options for those who do not qualify for subsidized coverage.

Demonstration Description

the Florida Legislature passed House Bill 121 (HB 121), signed into law in June 2023, to increase eligibility for the CHIP-subsidized KidCare programs above the current state plan threshold of 200 percent of the FPL up to 300 percent of the FPL. HB 121 also requires the State to establish new monthly premiums for CHIP enrollees. The new premium structure creates a graduated level of premiums that allows families with growing income to be able to continue to afford health insurance for their children.

II. Demonstration Goals and Objectives

The proposed demonstration is expected to enable Florida to continue to make strides in increasing access to creditable health insurance coverage for lower-income children within the State while supporting increased economic self-sufficiency and pathways to prosperity. Accordingly, the goals and objectives of this demonstration are to:

- Increase enrollment and access to CHIP-subsidized coverage; and,
- Improve or maintain the rate of uninsured children under age 19 in the State of Florida.

III. Demonstration Benefits

Demonstration enrollees will receive all CHIP state plan services. Florida KidCare health and dental services are delivered through quality plans that offer a choice of local doctors, dentists, specialists, hospitals, pharmacies, and other health care providers. Florida KidCare benefits minimally include but are not limited to: doctor visits, surgeries, check-ups, immunizations, dental and vision care, prescriptions, hospital stays, behavioral health, and emergencies.

IV. Demonstration Eligibility and Projected Enrollment

The demonstration will offer CHIP coverage to uninsured children with family income above 200 percent of the FPL, up to 300 percent of the FPL. This reflects a household income range of \$62,400 up to \$93,600 for a family of 4 in 2024. Projected demonstration enrollment is provided in the below table.

DY01	DY02	DY03	DY04	DY05
14,649	28,926	38,360	41,272	41,874

“DY” = Demonstration Year

V. Demonstration Cost-Sharing - Premiums

Families contribute monthly premiums to the cost of the Florida KidCare program based on their household size, income, and other eligibility factors. The premium does not vary

by the number of children in the household. In accordance with Florida HB 121, Florida is proposing to establish new premium tiers for CHIP enrollees above 133 percent of the FPL, including the new income coverage band from above 200 percent of the FPL up to 300 percent of the FPL. The new monthly premium structure proposed for the Florida KidCare program is as follows:

Proposed Premium Tiers by Federal Poverty Level					
Tier 1 FPL Range	Tier 2 FPL Range	Tier 3 FPL Range	Tier 4 FPL Range	Tier 5 FPL Range	Tier 6 FPL Range
133-175%	175-200%	200-225%	225-250%	250-275%	275-300%
\$17	\$30	\$60	\$95	\$145	\$195

This new premium structure is not expected to impact general disenrollment trends or processes. Total projected enrollment in KidCare, including disenrollments due to failure to pay the monthly premium, was utilized to calculate the total costs for the demonstration.

VI. Demonstration Health Care Delivery System

The State utilizes a managed care delivery system for all children enrolled in CHIP.

VII. Projected Demonstration Expenditures

The State’s projected medical assistance expenditures for coverage of uninsured children with household income ranging from above 200 percent of the FPL up to 300 percent of the FPL is listed in the table below.

DY01	DY02	DY03	DY04	DY05
\$16,999,053	\$69,794,099	\$106,984,015	\$125,152,604	\$135,457,940

VIII. Evaluation Parameters

The state’s proposed evaluation parameters to assess the impact of the demonstration on CHIP enrollees are listed in the table below.

Proposed Hypothesis	Anticipated Measure(s)	Proposed Data Sources
The demonstration will increase enrollment and access to CHIP coverage.	Number of children with family income over 200% of FPL up to 300% of FPL enrolled in CHIP.	Florida CHIP claims and enrollment records
The demonstration will improve or maintain the rate of uninsured children under age 19 in the State of Florida.	Reported uninsurance rates: Number of children up to age 19 in Florida without health coverage	U.S. Census Bureau Data, American Community Survey (ACS)

IX. Proposed Waiver and Expenditure Authorities

Section 1115(a)(1) Waiver Authorities	<i>Florida does not anticipate needing any waivers of the provisions under Title XXI of the Social Security Act to implement this demonstration.</i>
Section 1115(a)(2) Expenditure Authorities	Expenditure authority to offer CHIP coverage (through Florida KidCare) to uninsured children in households with income above 200 percent of the FPL up to 300 percent of the FPL.
	Expenditure authority to implement a monthly premium structure to be imposed on CHIP enrollees with income above 133 percent of the FPL up to 300 percent of the FPL as a condition of enrollment.

X. Public Notice and Comment Process

As announced in the abbreviated public notice released in the Florida Administrative Register on January 23, 2024, the draft section 1115 demonstration proposal and related public notice materials are posted for a minimum 30-day public comment period starting January 23, 2024 at 3:00 pm EST, through February 21, 2024 at 3:00 pm EST on the Federal Waivers Home page located on the AHCA website:

<https://ahca.myflorida.com/medicaid/medicaid-policy-quality-and-operations/medicaid-policy-and-quality/medicaid-policy/federal-authorities/federal-waivers>.

AHCA will conduct two public hearings on the proposed application as listed below:

Public Hearing 1:

Wednesday, January 31, 2024, 11:00 am – 12:00 pm EST
Medical Care Advisory Committee Meeting
Agency for Health Care Administration
2727 Mahan Drive, Building 3
Tallahassee, Florida 32308
Audio: (850) 792-4898, Phone Conference ID: 324 032 061#

Public Hearing 2:

February 1, 2024 from 1:00 pm EST – 2:00 pm EST
DMS Orlando North Tower Conference Room
400 W. Robinson St., Ste N109
Orlando, FL 32801

Interested parties may submit written comments electronically via email to FLMedicaidWaivers@ahca.myflorida.com with “Children’s Health Insurance Program Eligibility Extension Request” referenced in the subject line or may send written comments concerning the proposed new demonstration to:

Children's Health Insurance Program Eligibility Extension Request
Agency for Health Care Administration
2727 Mahan Drive, MS #20
Tallahassee, Florida 32308

Hard copies of the application may be obtained by contacting Kimberly Quinn at (850) 412-4277 or by email at Kimberly.Quinn@ahca.myflorida.com.

Pursuant to the provisions of the Americans with Disabilities Act, any person requiring special accommodations to participate in this workshop/meeting is asked to advise the agency at least seven days before the workshop/meeting by contacting Kimberly Quinn at (850) 412-4277 or by email at Kimberly.Quinn@ahca.myflorida.com.

If you are hearing or speech impaired, please contact the agency using the Florida Relay Service, 1 (800) 955-8771 (TTY) or 1 (800) 955-8770 (Voice).