

Document: Proposed Rule, **Register Page Number:** 25 IR 2805

Source: June 1, 2002, Indiana Register, Volume 25, Number 9

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**TITLE 407 OFFICE OF THE CHILDREN'S HEALTH
INSURANCE PROGRAM**

Proposed Rule
LSA Document #02-85

DIGEST

Amends 407 IAC 2-2-5 to remove 12 months of consecutive eligibility to conform with state law, Public Law 107-2002, SECTION 25. Amends 407 IAC 2-3 to revise premium payment schedule to remove annual and quarterly payment options. Effective 30 days after filing with the secretary of state.

407 IAC 2-2-5

407 IAC 2-3-1

407 IAC 2-3-2

SECTION 1. 407 IAC 2-2-5 IS AMENDED TO READ AS FOLLOWS:

407 IAC 2-2-5 Eligibility

Authority: IC 12-17.6-2-11

Affected: IC 12-17.6-3-3

Sec. 5. (a) Subject to subsection (b), an individual who is eligible for CHIP shall remain covered under the program until the earlier of the following:

(1) ~~The end of a period of twelve (12) months beginning on the first day of the month following the date of determination of the individual's eligibility for the program. As used in this subdivision, "date of determination" means the date that the application is conditionally approved for CHIP.~~ **child becomes financially ineligible.**

(2) The end of the month in which ~~the~~ child becomes nineteen (19) years of age.

(b) Subsection (a) applies only if the individual:

(1) and the individual's parent, guardian, or caretaker comply with enrollment requirements, including, but not limited to, paying required premiums; and

(2) does not become ineligible under section 6(a) of this rule.

(Office of the Children's Health Insurance Program; 407 IAC 2-2-5; filed May 3, 2000, 2:02 p.m.: 23 IR 2232)

SECTION 2. 407 IAC 2-3-1 IS AMENDED TO READ AS FOLLOWS:

407 IAC 2-3-1 Responsibility for premium payment

Authority: IC 12-17.6-2-11

Affected: IC 12-17.6-3-2; IC 12-17.6-4-3

Sec. 1. (a) In order for an individual to receive benefits under CHIP, the individual's family must pay **monthly** premiums as described in the following table:

Table 1: Amount of Premium

Income (as a percentage of federal poverty level)	Monthly		Quarterly		Annually	
	Number of children enrolled					
	One	Two or more	One	Two or more	One	Two or more
over 150% to 175%	\$11.00	\$16.50	\$31.50	\$47.25	\$120.00	\$180.00
over 175% to 200%	\$16.50	\$24.75	\$47.25	\$71.00	\$180.00	\$270.00

Income (as a percentage of federal poverty level)	One child enrolled	Two or more children enrolled
over 150% to 175%	\$11.00	\$16.50
over 175% to 200%	\$16.50	\$24.75

For purposes of this section, the family's income includes the income considered in 407 IAC 2-2-2.

(b) Premiums ~~may~~ **must** be paid monthly. ~~quarterly, or annually at the family's option.~~ Partial month payments will not be accepted. (*Office of the Children's Health Insurance Program; 407 IAC 2-3-1; filed May 3, 2000, 2:02 p.m.: 23 IR 2233*)

SECTION 3. 407 IAC 2-3-2 IS AMENDED TO READ AS FOLLOWS:

407 IAC 2-3-2 Nonpayment of premium

Authority: IC 12-17.6-2-11

Affected: IC 12-17.6-3-2; IC 12-17.6-4-3

Sec. 2. (a) When an applicant is determined eligible for CHIP, the applicant will be conditionally approved for CHIP pending payment of the premium. Coverage begins when the first premium is received by the office or its designated contractor. After the premium is received, coverage will be retroactive to the first day of the month of application.

(b) The parent or guardian must pay the first premium in order for the applicant to receive coverage under CHIP. If payment is not received by the due date specified in the second premium notice, the CHIP application will be denied.

(c) If any premium after the first premium is not paid by the due date, a maximum of sixty (60) days coverage without premium payment will be permitted before coverage is discontinued. When a member has been discontinued from the program due to nonpayment of premiums, the family may ~~reinstate coverage within one (1) year from the date of the decision granting eligibility by paying~~ **reapply, but must pay** all past due premiums and the premium for the current month ~~The member is not required to reapply in order to reinstate begin coverage. during this one-year period.~~ The member is not required to pay premiums for the time period between the date of discontinuance and the date that coverage ~~is reinstated.~~ **resumes.** Any services received by the member during the time period between the date of discontinuance and the date that coverage ~~is reinstated resumes~~ are not covered by CHIP.

(d) A payment of less than the full amount due will not be accepted and will be considered nonpayment. (*Office of the Children's Health Insurance Program; 407 IAC 2-3-2; filed May 3, 2000, 2:02 p.m.: 23 IR 2233*)

Notice of Public Hearing

Under IC 4-22-2-24, notice is hereby given that on June 24, 2002 at 9:00 a.m., at the Indiana Government Center-South, 402 West Washington Street, Conference Center Room 2, Indianapolis, Indiana the Office of the Children's Health Insurance Program will hold a public hearing on proposed amendments to eligibility and premium payment rules to conform with Public Law 107-2002, SECTION 25, which removes 12 months of continuous eligibility.

Written comments concerning the proposed rule may be sent to: Comments LSA Document #02-85, Attention: Catherine Rudd, MS27, Indiana Family and Social Services Administration, Office of General Counsel, 402 West Washington Street, Room W451, Indianapolis, Indiana 46204.

Copies of these rules are now on file at the Indiana Government Center-South, 402 West Washington Street, Room W451 and Legislative Services Agency, One North Capitol, Suite 325, Indianapolis, Indiana and are open for public inspection.

Kathryn Moses
 Director
 Office of the Children's Health Insurance Program