DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
Atlanta Regional Office
61 Forsyth Street, Suite 4T20
Atlanta, Georgia 30303

DIVISION OF MEDICAID & CHILDREN'S HEALTH OPERATIONS

November 15, 2013

Mr. Lawrence Kissner
Commissioner, Department for Medicaid Services
Cabinet for Health and Family Services
275 E. Main Street, 6W-A
Frankfort, KY 40621

Dear Mr. Kissner:

Enclosed is an approved copy of Kentucky's State Plan Amendment (SPA) 13-0010-MM3, which was submitted to CMS on August 26, 2013. SPA 13-0010-MM3 incorporates the MAGI-Based Income Methodologies into Kentucky's State Plan in accordance with the Affordable Care Act. This SPA was approved on 10/25/13. The effective date of the SPA is January 1, 2014.

Enclosed is a copy of the new State Plan pages to be incorporated within a separate section at the back of Kentucky's approved State Plan:

- S10, Pages S10-1 and S10-2

In addition, enclosed is a summary of State Plan pages which are superseded by SPA 13-0010-MM3, which should also be incorporated into a separate section in the front of the State Plan:

- Superseding Pages of State Plan Material, 13-0010-MM3

Notwithstanding any other provisions of the Kentucky Medicaid State Plan, the financial eligibility methodologies described in SPA KY 13-0010-MM3 will apply to all MAGI-based eligibility groups covered under Kentucky's Medicaid State Plan. The MAGI financial methodologies set forth in 42 CFR §435.603 apply to everyone except those individuals described at 42 CFR §435.603(j) for whom MAGI-based methods do not apply. This SPA supersedes the current financial eligibility provisions of the Medicaid State Plan only with respect to the MAGI-based eligibility groups.

Congratulations to you and your staff for your hard work and strong collaboration. If you have any questions, please contact Alice Hogan at 404-562-7432 or Alice.Hogan@cms.hhs.gov.

Sincerely,

Jackie Glaze

Jackie Glaze
Associate Regional Administrator
Division of Medicaid & Children's Health Operations

Medicaid State Plan Eligibility: Summary Page (CMS 179)

State/Territory name: **Kentucky**

Transmittal Number:

Please enter the Transmittal Number (TN) in the format ST-YY-0000 where ST= the state abbreviation, YY = the last two digits of the submission year, and 0000 = a four digit number with leading zeros. The dashes must also be entered.

KY 13-010

Proposed Effective Date

01/01/2014 *(mm/dd/yyyy)*

Federal Statute/Regulation Citation

1902(e)(14), 42 CFR 435.603

Federal Budget Impact

	Federal Fiscal Year	Amount
First Year	2013	$ 0.00
Second Year	2014	$ 0.00

Subject of Amendment

Confirms state will apply MAGI based methodologies consistent with 42 CFR 435.603

Governor's Office Review

Governor's office reported no comment

Comments of Governor's office received

Describe:

No reply received within 45 days of submittal

Other, as specified

Describe:

Governor's office transfered review authority to the Cabinet for Health and FAmily Services

Signature of State Agency Official

Submitted By: **Sharley Hughes**

Date Submitted: **Aug 26, 2013**

Medicaid Eligibility

OMB Control Number 0938-1148
OMB Expiration date: 10/31/2014

MAGI-Based Income Methodologies — S10

1902(e)(14)
42 CFR 435.603

☒ The state will apply Modified Adjusted Gross Income (MAGI)-based methodologies as described below, and consistent with 42 CFR 435.603.

In the case of determining ongoing eligibility for beneficiaries determined eligible for Medicaid on or before December 31, 2013, MAGI-based income methodologies will not be applied until March 31, 2014, or the next regularly-scheduled renewal of eligibility, whichever is later, if application of such methods results in a determination of ineligibility prior to such date.

In determining family size for the eligibility determination of a pregnant woman, she is counted as herself plus each of the children she is expected to deliver.

In determining family size for the eligibility determination of the other individuals in a household that includes a pregnant woman:

- ○ The pregnant woman is counted just as herself.
- ○ The pregnant woman is counted as herself, plus one.
- ◉ The pregnant woman is counted as herself, plus the number of children she is expected to deliver.

Financial eligibility is determined consistent with the following provisions:

When determining eligibility for new applicants, financial eligibility is based on current monthly income and family size.

When determining eligibility for current beneficiaries, financial eligibility is based on:

- ◉ Current monthly household income and family size
- ○ Projected annual household income and family size for the remaining months of the current calendar year

In determining current monthly or projected annual household income, the state will use reasonable methods to:

- ☐ Include a prorated portion of a reasonably predictable increase in future income and/or family size.
- ☒ Account for a reasonably predictable decrease in future income and/or family size.

Except as provided at 42 CFR 435.603(d)(2) through (d)(4), household income is the sum of the MAGI-based income of every individual included in the individual's household.

In determining eligibility for Medicaid, an amount equivalent to 5 percentage points of the FPL for the applicable family size will be deducted from household income in accordance with 42 CFR 435.603(d).

Household income includes actually available cash support, exceeding nominal amounts, provided by the person claiming an individual described at §435.603(f)(2)(i) as a tax dependent.

○ Yes ◉ No

Medicaid Eligibility

☒ The age used for children with respect to 42 CFR 435.603(f)(3)(iv) is:

◉ Age 19

○ Age 19, or in the case of full-time students, age 21

PRA Disclosure Statement

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 0938-1148. The time required to complete this information collection is estimated to average 40 hours 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 comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: CMS, 7500 Security Boulevard, Attn: PRA Reports Clearance Officer, Mail Stop C4-26-05, Baltimore, Maryland 21244-1850.

SUPERSEDING PAGES OF STATE PLAN MATERIAL	
TRANSMITTAL NUMBER: KY-13-0010-MM3	**STATE:** Kentucky
PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: S10 - MAGI Income Methodology	**PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT *(If Applicable)*:** Notwithstanding any other provisions of the Kentucky Medicaid State Plan, the financial eligibility methodologies described in State Plan Amendment KY-13-0010-MM3 will apply to all MAGI-based eligibility groups covered under Kentucky's Medicaid State Plan. The MAGI financial methodologies set forth in 42 CFR § 435.603 apply to everyone except those individuals described at 42 CFR § 435.603(j) for whom MAGI-based methods do not apply. This State Plan Amendment supersedes the current financial eligibility provisions of the Medicaid State Plan only with respect to the MAGI-based eligibility groups.