

2433.00.00 HEALTH INSURANCE COVERAGE CONSIDERATIONS (MA 10)

There are certain limitations to eligibility under Hoosier Healthwise Package C relative to the coverage or possible coverage of the children under other insurance ⁸⁸ as follows:

Access to the State of Indiana Health Insurance Plan:

- Children whose parents, caretakers or spouses can cover them under the State of Indiana's health coverage plans offered to State employees are not eligible for MA 10. This prohibition applies even if the State employee has chosen not to cover the child, and regardless of whether an open enrollment period is available to the employee at the time of the application. The prohibition does not apply if it is a non-custodial parent who is the State employee.

If the requirements for coverage under the State benefit package appear to be met but the State employee maintains that the child in his or her care cannot be covered, the employee must present or obtain verification from the agency's health plan administrator. The application should pend awaiting this verification.

Coverage by other health insurance:

- Children who are covered by comprehensive health insurance (hospital and medical or major medical) are not eligible for MA 10, this differs from the limitation above as the issue is verified coverage, not merely access. If a child has health insurance, the MA 10 eligibility determination must spend for verification of the insurance benefit types.

Dropping health insurance coverage:

- ~~The state may no longer impose a waiting period following the loss of health insurance for CHIP applicants.~~⁸⁹ Children whose health insurance coverage has been dropped voluntarily may ~~not~~ receive **MA 10 without a waiting period.** ~~for no more than 90 days following the month of termination.~~ The application asks for information concerning the reason for the termination of coverage. If "could not afford" is indicated as the reason, the insurance is considered to have been terminated voluntarily, however ~~and~~ the child is **not** subject to the 90-day waiting period. Termination of insurance due to loss of employment (even if the loss was due to a voluntary quit) does not affect the child's eligibility for MA 10. ~~If the family lists a reason that is not on the application or the eligibility system table, and the worker is uncertain as to whether the termination should be considered voluntary, the Policy Answer Line should be contacted.~~

The following reasons for health insurance being dropped will not cause CHIP coverage to be subject to a 90-day waiting period:

- Loss of employment
- Coverage limit reached
- Non-custodial parent dropped insurance coverage
- Divorce/death of parent
- Employer ended insurance coverage
- Insurance premium is more than 5 percent of the family income for the child's coverage
- Cost of family insurance coverage is more than 9.5 percent of family income
- Child has special health care needs
- Withdrawing from FFM Coverage because now eligible for Medicaid or CHIP (must present verification/letter that FFM coverage has ended; cannot have dual coverage)
- **Could not afford**

Note: Effective 6/1/24 per CMS guidance the 90-day waiting for period for “any” reason was eliminated.⁹⁰ The eligibility system will disenable dropdown options pertaining to recently lost coverage.

⁸⁸ SSA 2110(b)(2)

⁸⁹ 45 CFR 457.805

⁹⁰ 45 CFR 457.65 and 45 CFR 457.805