

Families and Children Manual	Section: CoverKids
Policy Manual Number: 025.005	Chapter: CoverKids

## COVERKIDS

**Legal Authority:** Sec. 2107 of the Social Security Act [42 U.S.C. 1397gg]; 42 CFR 457.310; 42 CFR 457.315; 42 CFR 457.320; 42 CFR 457.330; 42 CFR 457.348; 42 CFR 457.535; Tenn. Comp. R. & Regs. 1200-13-20

### 1. Overview

CoverKids is Tennessee's Children's Health Insurance Program (CHIP). CHIP is authorized by Title XXI of the Social Security Act. Similar to Medicaid, CHIP is jointly financed and administered by the federal and state governments.

### 2. Policy Statement

CoverKids consists of two separate Categories of Eligibility (COEs)

- a. **CoverKids Child COE** is available to children who are under age 19, not eligible for TennCare Medicaid, whose household income is at or below 250% of the Federal Poverty Level (FPL) based on Eligibility Determination Group (EDG) size, and who meet all non-financial eligibility requirements.
- b. **CoverKids Pregnant Woman COE** is available to unborn babies of pregnant women not eligible for TennCare Medicaid, whose household income is at or below 250% of FPL based on EDG size, and who meet all non-financial eligibility requirements.

### 3. Coverage Period

#### a. Children under Age 19

Children under age 19 determined eligible for CoverKids Child COE receive coverage for 12 continuous months except in the following instances:

- i. The child turns 19;
- ii. Coverage is voluntarily terminated;
- iii. The child is no longer a resident of Tennessee;
- iv. The State determines that eligibility was erroneously granted at the most recent eligibility determination or renewal of eligibility because of state error, or fraud, abuse, or perjury attributed to the child or the child's representative;
- v. Death; or
- vi. The child is determined eligible in a TennCare Medicaid category.

#### b. Women who are Pregnant

Women who are eligible for the CoverKids Pregnant Woman COE will remain eligible for benefits through a 60-day postpartum period, beginning the last day of the pregnancy and ending on the last

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day of the month in which the 60-day period ends. Children eligible for the CoverKids Child COE who are pregnant while under the age of 19 will remain eligible for CoverKids Child benefits through a 12-month postpartum period. The respective 60-day or 12-month postpartum period is automatic and applicable to all pregnant women who have applied, been determined eligible for and received CoverKids benefits. The postpartum coverage period is applied regardless of any change in household income for CoverKids pregnant women, regardless of any changes in household circumstances for pregnant CoverKids children under the age of 19, and regardless of how the pregnancy ends.

The 12-month postpartum period will end prior to the end of the 12 months for CoverKids Children who are pregnant in the following instances:

- i. Coverage is voluntarily terminated;
- ii. The child is no longer a resident of Tennessee;
- iii. The State determines that eligibility was erroneously granted at the most recent eligibility determination or renewal of eligibility because of state error, or fraud, abuse, or perjury attributed to the child or the child's representative; or
- iv. Death.

Note: If a child who is determined eligible for CoverKids Child while pregnant later becomes eligible for TennCare Medicaid during the 12-month postpartum period, she will remain enrolled in CoverKids Child until the postpartum period has ended. If she requests to move from CoverKids Child to TennCare Medicaid, the 12-month postpartum coverage, and subsequent postpartum benefits, will end.

#### **4. Newborns**

CoverKids benefits are deemed available to infants not eligible for TennCare Medicaid when the infant's mother has CoverKids eligibility at the time of birth.

TennCare Medicaid benefits are available for infants born to a CoverKids enrollee with household income at or below 195%. Eligibility begins the date of birth.

#### **5. Co-Pay Responsibility**

CoverKids enrollees may be required to pay co-pays for covered services and pharmacy benefits. Individuals with verified American Indian/Alaskan Native status receive additional cost-sharing benefits.

#### **6. Non-Financial Eligibility Requirements**

Individuals eligible for CoverKids must meet all non-financial eligibility requirements. Additional information about each condition of eligibility is available in the Non-Financial Eligibility chapters.

- a. **Age:** A child must be under age 19.

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- b. Citizenship:** A child must be a U.S. Citizen, U.S. National or eligible non-citizen. The unborn child of a pregnant woman is presumed to be a U.S. citizen, regardless of the citizenship or immigration status of the mother.
- c. Enumeration:** An individual eligible to receive a Social Security Number (SSN) must possess and provide a valid SSN or proof of application for an SSN, unless she meets an exception. See the *Enumeration* policy.
- d. State Residence:** The individual must be a resident of Tennessee.
- e. Pregnancy:** TennCare accepts self-attestation of pregnancy at application or as a reported change, unless TennCare has information that is not reasonably compatible with such attestation. If TennCare has information that is not reasonably compatible with an attested pregnancy, TennCare will contact the individual and may request written medical verification of the pregnancy.
- f. Primary Health Insurance:** CoverKids must be the individual’s only health insurance plan. Health insurance plans include:
  - i.** Employer sponsored insurance;
  - ii.** COBRA;
  - iii.** Medicare;
  - iv.** TRICARE;
  - v.** Peace Corps; and
  - vi.** Other comprehensive medical coverage.

Individuals enrolled in a limited benefit policy will not be considered to be enrolled in other insurance. A limited benefit policy is health coverage for a specific disease (e.g., cancer), or an accident occurring while engaged in a specified activity (e.g., school-based sports), or which provides for a cash benefit payable directly to the insured in the event of an accident or hospitalization (e.g., hospital indemnity). Additionally, individuals enrolled in a Qualified Health Plan (QHP) through the Federally Facilitated Marketplace (FFM), are not considered to be enrolled in other insurance.

If the applicant is a pregnant woman with health insurance, she may be eligible for pregnancy benefits if her health insurance does not cover pregnancy-related care.

## 7. Financial Eligibility Requirements

### a. Eligibility Determination Group

The EDG for CoverKids uses Modified Adjusted Gross Income (MAGI) methodology. It is possible for household members to have different household sizes when determining eligibility. When determining EDG size for a pregnant woman, the pregnant woman is counted as herself plus the number of children she is expected to deliver. When determining EDG size for other applicants

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in the household, the pregnant woman is counted as one person. For additional information regarding EDG size, see the *Eligibility Determination Group for MAGI* policy.

**b. Income Standard**

Individuals must have income at or below 250% FPL.

**c. Budget**

Ms. Wilson applied for medical assistance for her 10 year old son. Ms. Wilson is employed with a Net Countable Earned Income of \$3,000. Her Before/Pre-tax Contributions total \$150. The example budget is based on an EDG size of two and determines eligibility for the child with an Income Test Limit of \$3,430 (250% FPL).

Ms. Wilson’s Remaining Countable Earned/Self-Employment amount, \$2,850, is over the Income Test Limit for Child 6 to 18 MAGI, \$1825. However, the income is under the Income Test Limit for CoverKids, \$3430. The MAGI 5% Deduction is not applied because the Total Net Countable Income is under the Income Test Limit for the CoverKids category.

<b>Income Budget Calculation</b>		
Net Countable Self-Employment Income		\$ 00.00
Net Countable Earned Income		\$ 3,000.00
Before/Pre-tax Contribution Deductions	-	\$ 150.00
<b>Remaining Countable Earned/Self-Employment Amount</b>	<b>=</b>	<b>\$ 2,850.00</b>
Net Countable Unearned Income	+	\$ 0.00
<b>Countable Earned and Unearned Income</b>	<b>=</b>	<b>\$ 2,850.00</b>
1040 Deduction	-	\$ 0.00
MAGI 5% Deduction	-	\$ 0.00
<b>Net Countable Income</b>	<b>=</b>	<b>\$ 2,850.00</b>
<b>Income Test Limit</b>		<b>\$ 3,430.00</b>
Gap Filling Amount	-	\$ 0.00
<b>Total Net Countable Income</b>	<b>=</b>	<b>\$ 2,850.00</b>
<b>Income Test Result</b>		<b>PASS</b>

The above budget is current as of December 2018.

**8. Resource Test**

There is no resource test for CoverKids applicants.

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02.01.2016	1-6.	Overview of the CoverKids Program; Policy Statement; Coverage Period; Newborns; Co-Pay Responsibility; Non-Financial	1-2	Policy Change	NF
09.06.2016		Legal Authority	1	Non-Substantive Change	JH
04.06.2018	3-4.; 6.f.	Coverage Period; Newborns; Primary Health Insurance	1 -3	Policy Clarification	JH
03.18.2019	1.; 6.c.	Overview; Enumeration	1-2	Non-Substantive Change	SN
03.18.2019	2.; 3.; 7.a.; 7.c.	Legal Authority; Policy Statement; Coverage Period; Eligibility Determination Group; Budget	1; 3-4	Policy Clarification	TB
08.01.2019	3.	Coverage Period	1	Policy Clarification	TB
04.01.2022	3.	Coverage Period	1	Policy Change	TN
04.01.2022	2.; 6.f.	Policy Statement; Non-Financial Eligibility Requirements	1; 3	Policy Clarification	TN