DEPARTMENT OF HEALTH AND SOCIAL SERVICES
DIVISION OF SOCIAL SERVICES
Division of Social Services

18000 Delaware Healthy Children Program

This section describes the eligibility requirements under Delaware's CHIP program - the Delaware Healthy Children Program (DHCP).

The Balanced Budget Act of 1997, enacted on Augusts 5, 1997, established the Children's Health Insurance Program (CHIP) under Title XXI of the Social Security Act. The purpose of this program is to provide funds to States to enable them to initiate and expand the provision of child health assistance to uninsured, low-income children in an effective and efficient manner that is coordinated with other sources of health benefits coverage for children.

This program does not create any entitlement on the part of children to child health assistance. CHIP creates a capped allotment to the funds on the part of the states. Enrollment will be stopped when total expenditures are projected to equal the available funding level.

18100 Definitions

"**Comprehensive health insurance**" means a benefit package comparable in scope to the "basic" benefit package required by the State of Delaware's Small Employer Health Insurance Act at Title 18, Chapter 72 of the **Delaware Code**. This package covers hospital and physician services as well as laboratory and radiology services. The term "comprehensive" does not mean coverage for benefits normally referred to as "optional," e.g., prescription drugs.

"**Inmate of a public institution**" means a person living in a public institution. A public institution is an institution that is the responsibility of a governmental unit or over which a governmental unit exercises administrative control. An inmate is serving time for a criminal offense or confined involuntarily in State or Federal prisons, jail, detention facilities, or other penal facilities. A person living in a detention center after his case has been adjudicated and other living arrangements are being made (such as a transfer to a community residence) is not an inmate of a public institution.

"**Institution for Mental Disease**" means a hospital, nursing facility, or other institution of more than 16 beds that is primarily engaged in providing diagnosis, treatment or care of persons with mental diseases, including medical attention, nursing care, and related services. Whether an institution is an institution for mental diseases is determined by its overall character as that of a facility established and maintained primarily for the care and treatment of individuals with mental diseases, whether or not it is licensed as such. An institution for Individuals with Intellectual Disabilities is not an institution for mental diseases.

18200 Delaware Healthy Children Program General Eligibility Requirements

An individual must meet the general eligibility requirements described in Section 14000.

Exceptions: DHCP does not provide coverage of emergency services and labor and delivery only for illegally residing nonqualified aliens. Retroactive coverage is not available under DHCP.

18300 Technical Eligibility

Age: The child must be under age 19.

Uninsured: The child must be uninsured. Children cannot be found eligible for DHCP if they:

- are eligible for Medicaid;
- are eligible for Medicare;
- have insurance coverage, in the month of application, that meets the definition of comprehensive health insurance;
- have Military Health Insurance for Active Duty, Retired Military, and their dependents; or
- are eligible for or who have access to coverage under a state health benefits plan on the basis of a family member's employment with a public agency in the state.

A child who has a family member who works for a public agency within Delaware and is eligible to participate in the State health benefits plan with an employer premium subsidy is not eligible for DHCP. Family member is defined as the parent of the child or the individual who has legal custody of the child. The State health benefits plan is the plan that is offered or organized by the State of Delaware on behalf of State employees or other public agency employees within the state. The State health benefits plan does not include separately run county plans, city plans, or other municipal plans.

Residents of Institutions: A child who is a patient in an institution for mental disease (IMD) or who is an inmate of a

public institution is not eligible. Exception: If a child enrolled in DHCP subsequently requires inpatient services in an IMD, the receipt of inpatient services will not make the child ineligible during a period of continuous eligibility.

18400 Financial Eligibility

Financial eligibility is determined using the MAGI methodologies described in Section 16000.

Household income may not exceed 212% of the Federal Poverty Level (FPL).

18500 Protection of Former Medicaid Children

Children who are enrolled in Medicaid on December 31, 2013, and who lose eligibility for Medicaid at their first renewal due to the application of MAGI methodologies, must be covered under DHCP until the next scheduled 12-month renewal. Children are not subject to the uninsured requirement or the income limit during this 12-month protected period. The other requirements under DHCP are applicable during this 12-month protected period.

18600 Managed Care Enrollment Requirements

Children who are found eligible must enroll with a managed care organization and pay a monthly premium to receive coverage of medical services. The Health Benefits Manager (enrollment broker) will be responsible for the enrollment process including premium payment requirements.

18700 Premium Requirements

Statutory Authority

42 C.F.R. 435.926

Families with eligible children are required to pay a premium in order to receive coverage. The premium is per family per month regardless of the number of eligible children in the family. The monthly premium will vary according to age, household size and family income as follows:

Age	Percent Federal Poverty Level based on Household size	Monthly Premium
1 through 5	143% through 159% FPL	$10.00
6 through 18	134% through 159% FPL	$10.00
1 through 18	160% through 176% FPL	$15.00
1 through 18	177% through 212% FPL	$25.00

Payments that are less than one (1) month's premium will not be accepted.

Coverage begins the first of the month following payment of the initial premium. Payments for the initial premium will be accepted through a monthly cut-off date known as the authorization date. The authorization date is set by the automated eligibility system. If payment of the initial premium is received by the authorization date, coverage under DHCP will be effective the following month. Premium payments for ongoing coverage will be accepted through the last day of the month.

Families will be able to pay in advance and purchase up to one year's coverage. The following incentive is offered for advance payments:

Pay three (3) months – get one (1) premium free month

Pay six (6) months – get two (2) premium free months

Pay nine (9) months – get three (3) premium free months.

The advance premium payments for coverage may extend beyond the scheduled eligibility renewal. If the child is determined to be ineligible, the advance premium payments will be refunded to the family.

Coverage will be cancelled when the family is in arrears for two premium payments. The coverage will end the last day of the month when the second payment is due. If one premium payment is received by the last day of the cancellation month, coverage will be reinstated.

Families who lose coverage for nonpayment of premiums will have received two unpaid months of coverage. Families who are cancelled for nonpayment of premiums may reenroll at any time without penalty. Reenrollment will begin with the first month for which the premium paid.

Good cause for nonpayment of premiums will be determined on a case-by-case basis.

Postpartum 12 Month Continuous Eligibility Exception

Coverage for any child that is pregnant, or within the 12-month postpartum period, may not be terminated for nonpayment.

See 18700 Premium Requirements - History

18 DE Reg. 375 (11/01/14)
20 DE Reg. 639 (02/01/17)
22 DE Reg. 299 (10/01/18)
26 DE Reg. 323 (10/01/22)

18800 Continuous Eligibility

Statutory Authority
42 CFR 435.926
42 CFR 435.118

18800.1 Continuous Eligibility for Target Low-Income Children

Continuous eligibility means continued eligibility under DHCP during the 12-month period of time between the first month of eligibility and the next scheduled renewal.

The initial month of the continuous period of eligibility is the first month of eligibility. A new period of continuous eligibility will be established beginning with the month following the last month of the previous period of continuous eligibility, when a scheduled renewal is completed and the child is determined to be eligible. A new 12-month period of continuous eligibility will also begin after any break in DHCP eligibility.

There is no interruption of the continuous eligibility period because of an increase in household income. This includes an increase in income because of a change in family size. If there is a decrease in household income or an increase in family size, eligibility will be redetermined. A decrease in income could result in the family becoming eligible for Medicaid or the child remaining eligible for DHCP with a lower premium. If the decrease in income results in a lower premium for the family, the child will receive a new 12-month period of continuous eligibility.

A child who is determined eligible for DHCP remains eligible for a 12-month period of continuous eligibility. A child's eligibility may not be terminated during a continuous eligibility period, regardless of any changes in circumstances, unless:

- The child turns 19 years old;
- The child or child's representative requests a voluntary termination of eligibility;
- The child ceases to be a resident of the State;
- The agency determines that eligibility was erroneously granted at the most recent determination, redetermination or renewal of eligibility because of agency error or fraud, abuse, or perjury attributed to the child or the child's representative;
- The child dies;
- The child becomes eligible for Medicaid; or
- There is a failure to pay required premiums or enrollment fees on behalf of a child, as provided for in the DHCP State Plan.

18800.2 12-month Postpartum Continuous Eligibility

Continuous eligibility is provided to targeted low-income children who, while pregnant, were eligible and received services under DHCP throughout the duration of the pregnancy (including any period of retroactive eligibility) and the 12-month postpartum period. Coverage begins on the day the pregnancy ends and continues through the last day of the month in which the 12-months ends.

For individuals first enrolled at the end of their pregnancy, the regularly-scheduled renewal date may coincide with the end of the extended 12-month postpartum period. For most, however, the 12-month postpartum period will end after their regularly-scheduled renewal date. Therefore, the renewal must be conducted at the end of the individual's extended 12-month postpartum period and not at the regularly-scheduled renewal date.

A child may not be terminated during a period of 12-month postpartum continuous eligibility, regardless of change in circumstances, unless:

- The child or child's representative requests a voluntary termination of eligibility;
- The child ceases to be a resident of the State;

- The agency determines that eligibility was erroneously granted at the most recent determination, redetermination or renewal of eligibility because of agency error or fraud, abuse, or perjury attributed to the child or the child's representative; or
- The child dies.

Unlike continuous eligibility for children, 12-month postpartum continuous eligibility may not be terminated due to:

- Non-payment of premiums,
- A child turning 19 years old, or
- A child becoming eligible for Medicaid.

13 DE Reg. 1540 (06/01/10)
14 DE Reg. 1361 (06/01/11)
17 DE Reg. 503 (11/01/13)
26 DE Reg. 323 (10/01/22)