

**The California Managed Risk Medical Insurance Board**  
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Project Officer  
Centers for Medicare and Medicaid Services  
7500 Security Boulevard, Mail Stop S2-01-16  
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Re: California Title XXI State Plan Amendment – Healthy Families Program (HFP)

- Family Contribution Increase
- Established Dental Benefit Cap
- Modified Vision Benefits
- Established Infrastructure to Wait List/Disenrollments
- Eliminated AIM Program 6-month residency requirement

Dear Ms. Moore:

We are submitting for your review and approval, amendments to California's Title XXI State Plan. The State Plan amendment describes family contribution increases; new dental benefit cap; modified vision benefits and infrastructure for wait list/disenrollments. These implemented program changes were enacted in the Assembly Bill 1183 (Chapter 758, Statutes of 2008) Trailer Bill. We are also submitting an amendment that eliminates the AIM Program 6-month residency requirement along with other program description updates.

#### Healthy Families Program (HFP) Family Contribution Increase

Modifications to California's Title XXI State Plan include the necessary changes to implement Assembly Bill 1183 (Chapter 758, Statutes of 2008) which required the Managed Risk Medical Insurance Board to increase family contribution amounts for HFP families, with incomes greater than 150% and less than or equal to 250% of the federal poverty level. The family contribution amounts increased for category B (151% - 200% FPL) from \$9 to \$12 and category C (201% - 250% FPL) from \$15 to \$17 per child per month with a maximum family contribution amount increase from \$27 to \$36 and from \$45 to \$51 for the entire family per month. The SPA includes a description of the family contribution increase and continued compliance with the 5% annual cost sharing cap. The implementation date for the HFP family contribution increase was February 1, 2009.

### Dental Benefit Cap

Modifications to California's Title XXI State Plan include the necessary changes to implement Assembly Bill 1183 (Chapter 758, Statutes of 2008) which required the Managed Risk Medical Insurance Board to limit the HFP Dental Benefit to \$1,500 per child per benefit year. However, this limitation does not apply to dental services received by subscribers through the California Children Services (CCS) Program. This modification has been updated to reflect details of the Dental Benefit Cap in Attachment 6, as referenced in the SPA. The implementation date for this change is July 1, 2009.

### Vision Benefit Modification

Modifications to California's Title XXI State Plan include the necessary changes to implement Assembly Bill 1183 (Chapter 758, Statutes of 2008) which required the Managed Risk Medical Insurance Board to limit tinted and photochromic lenses, to situations deemed medically necessary. This modification has been updated to reflect descriptions of Vision Benefits in Attachment 6, as referenced in the SPA. The implementation date for this change was February 1, 2009.

### Wait List/Disenrollment Infrastructure

This provides the infrastructure that would apply in the event of any wait list and disenrollment implementation. Notification to CMS was originally submitted on November 19, 1997, through California's original State Plan informing CMS that children would be served within appropriated funds. California deleted its applicable regulation in conjunction with the now expired parental coverage waiver and in December 2007, re-adopted regulations providing more detail on the infrastructure for waiting lists and disenrollments, should they ever be needed. Recently, CMS requested additional detail on the infrastructure. This submission describes the method of operationalizing the wait list/disenrollments, if determined necessary by the MRMIB Board. This provision was presented to the Board as an emergency regulation, due to delayed SCHIP Reauthorization, on December 19, 2007. A public notice was also made available on the HFP website.

### AIM Program 6-month residency requirement elimination

As a result of recent litigation, this requirement was eliminated for pregnant women applying for the AIM Program. Effective January 6, 2009, the applicant must now only be a resident of California without any durational residency requirement.

We are confident that the enclosed SPA will provide CMS a clear understanding of the HFP Family Contribution Increases; established Dental Benefit Cap; Vision Benefit modifications; Wait List/Disenrollment infrastructure; and elimination of the AIM Program 6-month residency requirement.

Ms. Moore  
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If you have any questions, please do not hesitate to contact Mr. Ernesto A. Sanchez of my staff at (916) 327-6563 or email him at [esanchez@mrmib.ca.gov](mailto:esanchez@mrmib.ca.gov).

Sincerely,

Lesley Cummings  
Executive Director

Enclosures

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