29. Chapter 1717 of Title 17, Hawaii Administrative Rules, entitled "PARENTS OR CARETAKERS RELATIVE GROUP", is an addition of a new chapter to read as follows:

"HAWAII ADMINISTRATIVE RULES

TITLE 17

DEPARTMENT OF HUMAN SERVICES

SUBTITLE 12

MED-QUEST DIVISION

CHAPTER 1717

PARENT OR CARETAKER RELATIVES GROUP

Subchapter 1 General Provisions

§17-1717-1 Purpose
§17-1717-2 General requirements
§§17-1717-3 to 17-1717-7 (Reserved)

Subchapter 2 Eligibility Requirements

§17-1717-8 Purpose
§17-1717-9 Basic requirements
§17-1717-10 Categorical requirements
§17-1717-11 Income requirements
§17-1717-12 Asset requirements
§17-1717-13 Eligibility review requirements
§§17-1717-14 to 17-1717-18 (Reserved)

Subchapter 3 Freedom of Choice, Enrollment, Benefits and Disenrollment

§17-1717-19 Purpose
§17-1717-20 Freedom of choice
§17-1717-21 Enrollment into a participating health

plan
§17-1717-22 Benefits
§17-1717-23 Disenrollment from a health plan
§§17-1717-24 to 17-1717-28 (Reserved)

Historical Note: This chapter is based substantially upon repealed chapters 17-1726 and 17-1727 [Eff 08/01/94; am 07/20/95; am 01/29/96; am 03/30/96; am 11/25/96; am 12/27/97; am 07/06/99; am 06/19/00; am 10/26/01; am 12/03/01; am 02/16/02; am 05/10/03; am 09/17/07; am 09/10/09; am 04/30/10; am 08/19/11; am 06/25/12; R]

SUBCHAPTER 1

GENERAL PROVISIONS

§17-1717-1 Purpose. This chapter streamlines and consolidates Medicaid eligibility for a parent or caretaker relative, to include a qualified non-citizen, aged or certified as blind or disabled individual living with a child under age nineteen, or who is under age twenty-one and in receipt of foster care, kinship guardianship or adoption assistance, and implements section 1931 of the Social Security Act through the enactment of the Parent or Caretaker Relatives Group under the provisions of the Affordable Care Act of 2010. [Eff] (Auth: HRS §346-14; 42 CFR §435.110) (Imp: HRS §346-14; 42 CFR §435.110)

§17-1717-2 General requirements. The confidentiality, administrative appeal, fraud, medical assistance recovery, application processing, eligibility review, and adverse action provisions described in subtitle 12 shall pertain to a parent or caretaker relative who applies or is eligible under this chapter. [Eff] (Auth: HRS §§346-14, 346-29 346-44; 42 C.F.R. §§431.200, 431.206, 431.221, 431.230, 431.300, 435.119, 435.201, 435.907, 435.916, 455.1) (Imp: HRS §§346-14, 346-29 346-44; 42

C.F.R. §§431.200, 431.206, 431.221, 431.230, 431.300, 435.119, 435.201, 435.907, 435.916, 455.1)

§§17-1717-3 to 17-1717-7 (Reserved).

SUBCHAPTER 2

ELIGIBILITY REQUIREMENTS

§17-1717-8 Purpose. This subchapter describes the eligibility requirements for participation in the Parent or Caretaker Relatives Group.
[Eff] (Auth: HRS §346-14; 42 CFR §§435.110, 435.201) (Imp: HRS §346-14; 42 CFR §§435.110, 435.201)

§17-1717-9 Basic requirements. A parent or caretaker relative shall meet the basic eligibility requirements, which include but are not be limited to, citizenship, qualified non-citizen status, state residency, verification of identity, not residing in a public institution and the provision of a social security number, as described in chapter 17-1714.1.
[Eff] (Auth: HRS §§346-14, 346-29; 42 C.F.R. §§435.110, 435.400, 435.910) (Imp: HRS §§346-14, 346-29; 42 C.F.R. §§435.110, 435.400, 435.910)

§17-1717-10 Categorical requirements. (a) A parent or caretaker relative shall be eligible to participate in this chapter when:

(1) The parent or caretaker relative assumes primary responsibility for the care and control of a child residing in their household and the child is enrolled in Medicaid to include but not limited to a child under the jurisdiction of the court or legal custody is held by a public department authority;

(2) A parent or caretaker relative who is aged or disabled and in receipt of Medicare benefits; and

(3) The parent or caretaker relative is not in receipt of supplemental security income (SSI).

(4) Legally married spouse of a parent or caretaker relative even after the marriage ended in death or divorce.

(b) A parent or caretaker relative described in subsection (a)(1) shall be subject to the requirements of this chapter, except if applying on the basis of age, blindness or disability is required, the provisions of chapters 17-1719, 17-1724.1 and 17-1725.1 shall be applied. [Eff] (Auth: HRS §346-14; 42 C.F.R. §§430.25, 435.4, 435.110, 435.603) (Imp: HRS §346-14; 42 C.F.R. §430.25, §435.4, 435.110, 435.603)

§17-1717-11 Income requirements. (a) The modified adjusted gross income (MAGI) methodology shall be used to determine the countable income for the household under the provisions of chapter 17-1724.2.

(b) The income standard for participation in the Parents or Caretakers Relative Group is one hundred percent of the federal poverty level plus the five percent income conversion percentage for a household of applicable size.

(c) When the household's income meets the standard of need or standard of assistance in effect on July 16, 1996:

(1) Standard of need is the financial assistance standard of one hundred percent of the Federal Poverty Limit (FPL) established by the federal government in 1993 for a household of the same size; or

(2) Standard of assistance is the monthly financial assistance payment in effect of sixty-two and one-half percent of the standard of need described in 17-1719-11(d) for a household of the same size.

(d) A parent or caretaker relative may, but is not required, to claim the child in the household as a tax dependent for federal income tax purposes.

(e) When a parent or caretaker relative is determined ineligible under provisions of this chapter, eligibility shall be considered under chapter 17-1717.1 followed by other applicable chapters.

[Eff] (Auth: HRS §346-14; 42 C.F.R. §§435.110, 435.601, 435.603) (Imp: HRS §346-14; 42 C.F.R. §§435.110, 435.601, 435.603)

§17-1717-12 Asset requirements. Assets shall not be considered in the determination of eligibility for participation in the Parent or Caretaker Relatives Group. [Eff] (Auth: HRS §346-14; 42 C.F.R. §§435.110, 435.603) (Imp: HRS §346-14; 42 C.F.R. §§435.110, 435.603)

§17-1717-13 Eligibility review requirements. (a) An eligible parent or caretaker relative shall receive an annual eligibility review every twelve months.

(b) Eligibility shall be redetermined in accordance with chapter 17-1712.1 and subchapter 5 of chapter 17-1714.1. [Eff] (Auth: HRS §346-14; 42 C.F.R. §§435.110, 435.916) (Imp: HRS §346-14; 42 C.F.R. §§435.110, 435.916)

§§17-1717-14 to 17-1717-18 (Reserved).

SUBCHAPTER 3

FREEDOM OF CHOICE, ENROLLMENT, BENEFITS AND DISENROLLMENT

§17-1717-19 Purpose. This subchapter addresses and refers to the provisions of freedom of choice, enrollment, benefits and disenrollment for a parent or caretaker relative who is eligible in accordance with this chapter. [Eff] (Auth: HRS §346-

14; 42 C.F.R. §§430.25, 431.10, 431.40) (Imp: HRS §346-14; 42 C.F.R. §§430.25, 431.10, 431.40)

§17-1717-20 Freedom of choice. (a) A parent or caretaker relative eligible in accordance with this chapter, with the exception of an individual identified in section 17-1735.1-2(a), shall be provided a choice of a health plan and a provider as described in chapter 17-1720.1.

(b) An individual identified in section 17-1735.1-2(a) shall choose a department approved provider as described in chapter 17-1736-3. [Eff] (Auth: HRS §346-14; 42 C.F.R. §§430.25, 431.51, 438.52) (Imp: HRS §346-14; 42 C.F.R. §§430.25, 431.51, 438.52)

§17-1717-21 Enrollment into a participating health plan. (a) A parent or caretaker relative eligible in accordance with this chapter, with the exception of an individual identified in section 17-1735.1-2(a), shall be enrolled in a health plan as described in chapter 17-1720.1.

(b) A parent or caretaker relative identified in section 17-1735.1-2(a) shall not be enrolled into a plan and their healthcare services shall be provided on a fee-for-service basis. [Eff] (Auth: HRS §346-14; 42 C.F.R. §§430.25, 431.10, 431.40, 438.50) (Imp: HRS §346-14; 42 C.F.R. §§430.25, 431.10, 431.40, 438.50)

§17-1717-22 Benefits. (a) A parent or caretaker relative eligible in accordance with this chapter who is enrolled in a health plan shall be provided a standard benefits package by a participating health plan and other services when appropriate as described in chapter 17-1720.

(b) A parent or caretaker relative identified in section 17-1735.1-2(a) shall be provided coverage under the fee-for-service provisions as described in chapter 17-1737. [Eff] (Auth: HRS §346-14; 42 C.F.R. §§430.25, 431.40, 438.6) (Imp: HRS §346-14; 42 C.F.R. §§430.25, 431.40, 438.6)

§17-1717-23 Disenrollment from a health plan. An enrollee shall be disenrolled from a health plan under the provisions as described in chapter 17-1720.1. [Eff] (Auth: HRS §346-14; 42 C.F.R. §430.25, 431.40, 438.56) (Imp: HRS §346-14; 42 C.F.R. §430.25, 431.40, 438.56)

§§17-1717-24 to 17-1717-28 (Reserved)."

30. Chapter 1717.1 of Title 17, Hawaii Administrative Rules, entitled "TRANSITIONAL MEDICAL ASSISTANCE", is an addition of a new chapter to read as follows:

"HAWAII ADMINISTRATIVE RULES

TITLE 17

DEPARTMENT OF HUMAN SERVICES

SUBTITLE 12

MED-QUEST DIVISION

CHAPTER 1717.1

TRANSITIONAL MEDICAL ASSISTANCE

Subchapter 1 General Provisions

§17-1717.1-1 Purpose
§17-1717.1-2 General requirements
§§17-1717.1-3 to 17-1717.1-7 (Reserved)

Subchapter 2 Eligibility Requirements

§17-1717.1-8 Purpose
§17-1717.1-9 Basic requirements
§17-1717.1-10 Categorical requirements
§17-1717.1-11 Extension periods
§17-1717.1-12 Income requirements
§17-1717.1-13 Asset requirements
§§17-1717.1-14 to 17-1717.1-18 (Reserved)

Subchapter 3 Freedom of Choice, Enrollment, Benefits and Disenrollment

§17-1717.1-19 Purpose
§17-1717.1-20 Freedom of choice

§17-1717.1-21 Enrollment into a participating health plan
§17-1717.1-22 Benefits
§17-1717.1-23 Disenrollment from a health plan
§§17-1717.1-24 to 17-1717.1-28 (Reserved)

Historical Note: This chapter is based substantially upon repealed subchapter 6 of chapter 17-1726. [Eff 12/03/01; am 05/10/03; am 09/17/07; am 04/30/10; R]

SUBCHAPTER 1

GENERAL PROVISIONS

§17-1717.1-1 Purpose. This chapter establishes and describes the provisions of transitional medical assistance for a pregnant woman, or parent or caretaker relative, to include a qualified non-citizen, living with a child under age nineteen or an individual who is under age twenty-one and in receipt of foster care, kinship guardianship or adoption assistance, who becomes ineligible for medical assistance as a result of increased earned income, or collection or increased collection of spousal support payments under section 1925 of the Social Security Act. [Eff] (Auth: HRS §346-14; 42 CFR §435.112) (Imp: HRS §346-14; 42 CFR §435.112, Section 1925 of the Social Security Act)

§17-1717.1-2 General requirements. The confidentiality, administrative appeal, fraud, medical assistance recovery, application processing, eligibility review, and adverse action provisions described in subtitle 12 shall pertain to the household who applies or is eligible under this chapter. [Eff] (Auth: HRS §§346-14, 346-44; 42 C.F.R. §§431.200, 431.206, 431.221, 431.230, 431.300, 435.112, 435.201, 435.907, 435.916, 455.1) (Imp: HRS §§346-14, 346-44; 42 C.F.R. §§431.200, 431.206,

431.221, 431.230, 431.300, 435.112, 435.201, 435.907, 435.916, 455.1)

§§17-1717.1-3 to 17-1717.1-7 (Reserved).

SUBCHAPTER 2

ELIGIBILITY REQUIREMENTS

§17-1717.1-8 Purpose. This subchapter describes the eligibility requirements for participation in transitional medical assistance for a household consisting of a pregnant woman or parent or caretaker relative with a child(ren) described in Section 1925 of the Social Security Act subject to federal authorization. [Eff] (Auth: HRS §346-14; 42 CFR §§435.112, 435.201) (Imp: HRS §346-14; 42 CFR §§435.112, 435.201)

§17-1717.1-9 Basic requirements. The household shall meet the basic eligibility requirements, which include but are not limited to, citizenship, qualified non-citizen status, state residency, verification of identity, not residing in a public institution and the provision of a social security number, as described in chapter 17-1714.1. [Eff] (Auth: HRS §346-14; 42 C.F.R. §§435.112, 435.400, 435.910) (Imp: HRS §346-14; 42 C.F.R. §§435.112, 435.400, 435.910)

§17-1717.1-10 Categorical requirements. (a) A pregnant woman, or parent or caretaker relative with a child(ren) under age nineteen or an individual who is under age twenty-one and in receipt of foster care, kinship guardianship or adoption assistance who continues to reside in the household shall be eligible under this chapter when the household received medical assistance in at least three of the six months preceding the month the household became ineligible for

the Pregnant Women Group, or the Parents or Caretakers Relative Group as follows:

(1) Due to an increase in earned income, the household is eligible to receive an initial six months in accordance with section 17-1717.1-11(a); and

(2) An additional six months of coverage in accordance with section 17-1717.1-11(b); or

(3) Due to the collection or increased collection of spousal support payments, the household is eligible to receive four months of coverage in accordance with section 17-1717.1-11(c).

(b) A new household member may be added to the transitional medical assistance household when there is increased income from employment or increased hours of employment. If eligible, a new household member shall be added to the household as of the month of request and not extend beyond the date when the rest of the household is terminated.

(c) The time-limited extension periods for transitional medical assistance coverage under section 17-1717.1-11 shall be rescinded when federal authorization or the allocation of federal funding is discontinued and shall encompass only the following:

(1) An extension period of four consecutive calendar months when the household was terminated under the provisions of chapters 17-1716 or 17-1717, because of increased earnings or hours of employment; and

(2) The household received assistance in at least three of the six months immediately preceding the month in which the household became ineligible for chapters 17-1716 or 17-1717.

[Eff](Auth: HRS §346-14; 42 C.F.R. §435.112) (Imp: HRS §346-14; 42 C.F.R. §435.112)

17-1717.1-11 <u>Extension periods.</u> (a) Initial six-month period for transitional medical assistance:

(1) Shall be extended to a household who is terminated solely because of increased income from employment or increased hours of employment of the household;

(2) Received assistance at least three of the six-months immediately preceding the month in which the household became ineligible in the Pregnant Women Group, or the Parents or Caretakers Relative Group; and

(3) Shall include a child as defined in this chapter, or eligibility shall terminate at the end of the first month in which the household ceases to include the child.

(4) The department shall notify the household of the option to receive an additional six-month period of transitional medical assistance during the third and sixth month of this initial six-month period.

(5) Shall terminate at the end of the sixth month period when the household fails to meet the reporting requirements of section 17-1717.1-12(a), unless the household establishes good cause for failure to report timely. Failure to submit timely due to physical or psychiatric limitations may constitute good cause.

(b) Additional six-month period for transitional medical assistance:

(1) Shall be extended to a household when the household received transitional medical assistance during the entire initial six-month period according to subsection (a); and

(2) Shall include a child as defined in this chapter, or eligibility shall terminate at the end of the first month in which the household ceases to include the child.

(3) The department shall notify the household of the reporting requirements of section 17-1717.1-12(b)(1) during the third month of the additional six-month transition period.

(4) Shall terminate when the household fails to meet the reporting requirements of section 1717.1-12(b), unless the household establishes good cause for the failure to report timely. Failure to submit timely due to physical or psychiatric limitations may constitute good cause, or the household had no earnings in one or more of the previous

months, unless the lack of earnings was due to involuntary loss of employment, illness, or other good cause.

(c) Four-month period for transitional medical assistance:

(1) Shall be extended to a household for a period of four consecutive months when the household is terminated from the Pregnant Women Group, or Parent or Caretaker Relatives Group because of the collection or increased collection of spousal support payments under Title IV-D of the Social Security Act; and

(2) Received assistance in at least three of the six-months immediately preceding the month in which the household became ineligible for the Pregnant Women Group, or the Parent or Caretaker Relatives Group.

(3) Shall begin on the date the household became ineligible for assistance and terminated from the Pregnant Women Group, or Parent or Caretaker Relatives Group.

(4) When eligibility for the household is terminated retroactively, the four month period shall begin retroactively with the first month in which eligibility through the Pregnant Women Group, or Parents or Caretakers Relative Group was erroneously received.

(d) When a household is determined ineligible or exhausts the extension period for transitional medical assistance, the department shall initiate and ensure timely determination of continued eligibility under provisions of this chapter or if terminated, eligibility under other applicable chapters shall be considered. [Eff] (Auth: HRS §346-14; 42 C.F.R. §435.112) (Imp: HRS §346-14; 42 C.F.R. §435.112)

§17-1717.1-12 Income requirements. (a) The initial six-month period of transitional medical assistance:

(1) The household income shall not be considered in the determination of eligibility for participation.

(2) The household shall report to the department, no later than the twenty-first day of the fourth month of the initial six-month period, on the household:

(A) Gross monthly earned income for each of the first three months of the initial six-month period; and

(B) Cost for childcare that is necessary for the employment of the household for each of the first three months of the initial six-month period.

(b) The additional six-month period of transitional medical assistance:

(1) The household shall report to the department, not later than the twenty-first day of the first and fourth month of the additional six-month period, on the household:

(A) Gross monthly earned income for each of preceding three months; and

(B) Cost for childcare that is necessary for the employment of the household for each of the preceding three months.

(2) The reported household monthly earnings according to paragraph (1) shall be used to determine the countable income for the household of applicable size and shall not exceed one hundred eighty-five per cent of the federal poverty level for the additional six-month period.

(c) The four-month period of transitional medical assistance household income shall not be considered in the determination of eligibility for participation. [Eff] (Auth: HRS §346-14; 42 C.F.R. §§435.112) (Imp: HRS §346-14; 42 C.F.R. §§435.112)

§17-1717.1-13 Asset requirements. Assets shall not be considered in the determination of eligibility for participation in transitional medical assistance. [Eff] (Auth: HRS §346-14; 42 C.F.R.

§§435.112, 435.603) (Imp: HRS §346-14; 42 C.F.R. §§435.112, 435.603)

§§17-1717.1-14 to 17-1717.1-18 (Reserved).

SUBCHAPTER 3

FREEDOM OF CHOICE, ENROLLMENT, BENEFITS AND DISENROLLMENT

§17-1717.1-19 Purpose. This subchapter addresses and refers to the provisions of freedom of choice, enrollment, benefits and disenrollment for an individual eligible in accordance with this chapter. [Eff] (Auth: HRS §346-14; 42 C.F.R. §§430.25, 431.10, 431.40) (Imp: HRS §346-14; 42 C.F.R. §§430.25, 431.10, 431.40)

§17-1717.1-20 Freedom of choice. When relocation results in the non-service of the health plan in which the household was enrolled, they shall be provided a choice of health plan and a provider as described in chapter 17-1720.1. [Eff] (Auth: HRS §346-14; 42 C.F.R. §§430.25, 431.51, 438.52) (Imp: HRS §346-14; 42 C.F.R. §§430.25, 431.51, 438.52)

§17-1717.1-21 Enrollment into a participating health plan. (a) An individual eligible in accordance with this chapter, with the exception of an individual identified in section 17-1735.1-2(a), shall continue to be enrolled in the selected health plan as a recipient in accordance with chapter 17-1720.1, except for the provision of section 17-1717.1-20.

(b) An individual participating in transitional medical assistance shall not participate in the annual health plan open enrollment period.

[Eff] (Auth: HRS §346-14; 42 C.F.R. §§430.25, 431.10) (Imp: HRS §346-14; 42 C.F.R. §§430.25, 431.10)

§17-1717.1-22 Benefits. (a) An individual eligible in accordance with this chapter who is enrolled in a health plan shall be provided a standard benefits package by a participating health plan and other services when appropriate as described in chapter 17-1720.

(b) An individual identified in section 17-1735.1-2(a) shall be provided coverage under the fee-for-service provisions as described in chapter 17-1737. [Eff] (Auth: HRS §346-14; 42 C.F.R. §§430.25, 431.40, 438.6) (Imp: HRS §346-14; 42 C.F.R. §§430.25, 431.40, 438.6)

§17-1717.1-23 Disenrollment from a health plan. An enrollee shall be disenrolled from a health plan under the provisions as described in section 17-1720.1. [Eff] (Auth: HRS §346-14; 42 C.F.R. §430.25) (Imp: HRS §346-14; 42 C.F.R. §430.25)

§§17-1717.1-24 to 17-1717.1-28 (Reserved)."