

# Virginia's Health Insurance Programs for Children and Pregnant Women – An Overview

## FAMIS Plus and Medicaid for Pregnant Women

### What are Medicaid and FAMIS Plus?

Established over 35 years ago as Title XIX of the Social Security Act, Medicaid is a joint federal and state program to provide essential medical and medically-related services to the most vulnerable populations in society. The program is the third largest source of health insurance in the United States after employer-based coverage and Medicare. The Medicaid program covers millions of low-income women, children, elderly people, and individuals with disabilities and provides medical coverage for about 12% of the total US population. For every dollar Virginia spends on Medicaid, the Commonwealth receives a dollar in federal funding. With the provisions of Welfare Reform in 1996, the link between Medicaid and welfare was severed. Many individuals, who are no longer eligible for Temporary Assistance for Needy Families (TANF) or other cash assistance benefits, remain eligible for Medicaid coverage.

“Medically Indigent” or “MI Medicaid” is the largest category of Medicaid providing coverage to children and pregnant women in Virginia. MI Medicaid for Children is now called “FAMIS Plus”. The income eligibility levels for children and pregnant women are higher than for most other types of Medicaid.

### What Medical Services Are Covered?

FAMIS Plus and Medicaid for Pregnant Women provide a comprehensive package of benefits uniquely designed to meet the needs of lower income children and expectant mothers. In addition to covering traditional health care services such as hospitalizations, doctor visits and prescriptions, these programs also cover services such as: transportation to medical appointments, case management and health education for new mothers and babies with potential health risks, eye exams and glasses\*, dental care\*, and other services not often covered by private health insurance plans. *\*Pregnant women over the age of 21 are not eligible for eyeglasses or routine dental care.*

Of special note, children covered by FAMIS Plus are entitled to the EPSDT (Early Periodic Screening, Diagnosis and Treatment) program. This valuable component of Virginia's FAMIS Plus program provides comprehensive health screenings for children up to age 21. A medical condition diagnosed through an EPSDT screening must be treated at no cost to the family.

A Medicaid for Pregnant Women recipient may also be eligible for family planning services through Virginia's “Plan First” Program after the end of her

pregnancy. Services include: family planning office visits; education and counseling; annual gynecological exam; cervical cancer screening, laboratory services and STD testing; FDA approved methods of contraception, over-the-counter contraceptives, and sterilization (excluding hysterectomies). A Medicaid for Pregnant Women recipient can enroll in Plan First at the end of her pregnancy by submitting an application to her local DSS office.

FAMIS Plus and Medicaid for Pregnant Women health services are delivered through either the MEDALLION (the recipient has a Primary Care Physician or PCP) or Medallion II (the recipient receives services through a Managed Care Organization) program depending upon the locality in which the recipient lives.

### **Can FAMIS Plus or Medicaid for Pregnant Women Pay for Recent Medical Bills?**

When a child/pregnant woman is determined to be eligible, these programs may retroactively pay any outstanding medical bills for the three months prior to application. For example, if a signed application is received in March and ultimately results in enrollment, outstanding medical bills may be covered for December, January, and February, if the enrollee would have been eligible for FAMIS Plus/Medicaid for Pregnant Women during that time. If applying for retroactive coverage (Step 8 on the application), additional months of income verification are necessary.

### **Which Children Are Eligible For FAMIS Plus and Which Women are Eligible for Medicaid for Pregnant Women?**

Children under the age of 19 living in families with qualifying incomes are generally eligible for FAMIS Plus. In Virginia, income eligibility for FAMIS Plus is 133% of the Federal Poverty Level (*FPL*).

*(Examples – A family of 2 could earn \$19,379 a year or a family of 4 could earn \$29,327 a year and the child under age 19 would qualify financially for FAMIS Plus)\**

It is important to know, however, that certain expenses are deducted from the family gross income before comparing income to the FPL. These deductions are called “income disregards” and help many children who initially appear to be over income, actually qualify for FAMIS Plus.

Medicaid for Pregnant Women is for pregnant women of any age living in families with qualifying incomes. In Virginia, income eligibility for Medicaid for Pregnant Women is up to 133% of the FPL. It is important to note that a pregnant woman counts as a family of two (or more if a multiple children are expected) when determining family size. Like FAMIS Plus, income disregards are deducted from the pregnant woman's gross income before comparing income to the FPL.

*(Example – A single mom applying is a family of 2 and she could earn up to \$19,379 a year and qualify financially for Medicaid for Pregnant Women)\**

*\*The figures given as examples are based on the current Federal Poverty Guidelines, which are updated each year.*

## **Does It Matter If A Child/Pregnant Women Already Has Insurance?**

Eligibility for FAMIS Plus and Medicaid for Pregnant Women is not affected by whether or not the applicant currently has any other insurance or had it any time in the past. In the case of other current insurance, the Medicaid/FAMIS Plus benefits “wrap around” the other services providing supplemental benefits to a child’s/expectant woman’s private insurance plan (i.e. if the child’s plan doesn’t cover dental or vision services, or if the pregnant woman’s plan does not cover the pregnancy). The private/work-based health plan is the first payor and Medicaid/FAMIS Plus will pay last.

## **What Are The Costs For A Family?**

There are no costs for covered services for children in FAMIS Plus.

There are no costs for pregnancy-related services received by an expectant mother enrolled in Medicaid for Pregnant Women. There may be small copayments collected for non-pregnancy related services.

## **How Long Does A Child/Pregnant Woman Remain Eligible?**

The family is responsible for reporting any change in circumstance that may affect the child’s eligibility for FAMIS Plus within 10 days of the change. This is generally a change in income or family size. It is especially important to inform DSS of a change in address; mail from DSS is not forwarded, even if the family has a change of address card on file with the Post Office. Even if no changes occur, the child’s eligibility must be renewed every 12 months. DSS may contact the family prior to their renewal date and request current income information. Many children are terminated from FAMIS Plus at this time because of the family’s failure to complete the annual renewal process.

Once a pregnant woman is enrolled in Medicaid for Pregnant Women, she is enrolled for the duration of her pregnancy and the 60 days postpartum regardless of any changes in income. Once her child is born, and the birth is reported to DSS, the newborn will be placed on Medicaid/FAMIS Plus for one year.

# FAMIS

## What Is FAMIS?

The State Children's Health Insurance Program (SCHIP) was created by Congress as part of the Balanced Budget Act of 1997. States were given broad discretion to design SCHIP programs to provide health insurance coverage for uninsured children in low to moderate-income families who are not eligible for Medicaid. Enacted as Title XXI of the Social Security Act, over \$20 billion dollars was allocated for support of the SCHIP program for the first 5 years. Like Medicaid/FAMIS Plus, CHIP is also a partnership between the federal and state government, but a higher proportion of the cost is paid by federal tax dollars (for every dollar Virginia spends, they receive two dollars from the federal government). All 50 states, the District of Columbia, and some US territories now have approved SCHIP programs. The program was renewed for an additional 4 years by the federal government in February of 2009 and it is now referred to as "CHIP".

In October 1998, Virginia introduced its first CHIP program entitled the Children's Medical Security Insurance Plan (CMSIP). This program provided Medicaid-like benefits to uninsured children up to 185% of the Federal Poverty Level (FPL). In 2000, the Virginia General Assembly authorized a new program, the Family Access to Medical Insurance Security plan or "FAMIS" (pronounced like "famous"), to replace CMSIP. FAMIS covers children up to 200% FPL and was designed to function more like a private health insurance plan.

As a result of legislation from the 2002 General Assembly Session and policy modifications by the Department of Medical Assistance Services (DMAS) many positive changes were implemented in September 2002 to improve the FAMIS program and to increase coordination between Medicaid and FAMIS. Since then, DMAS and the General Assembly continually strive to simplify and improve the FAMIS programs. On August 1, 2005, DMAS's newly created programs FAMIS MOMS and FAMIS *Select* went into effect. In July 2009, the income limit in FAMIS MOMS was increased from 185% FPL to 200% FPL.

## What Medical Services Are Covered?

FAMIS benefits vary depending upon the locality in which the enrolled child lives.

In most localities in Virginia, a FAMIS enrolled child receives benefits through Managed Care Organizations (MCOs). MCOs provide the FAMIS benefits package that is similar to the type of coverage generally available in comprehensive private health insurance plans. In fact, the benefit package is modeled after the health insurance plan provided to Virginia's state employees. While many medical services are covered, some have annual or lifetime "caps" or limits on the amount of service. Unlike FAMIS Plus, non-

emergency transportation is not covered and although “well-child” examinations are covered up to age 19, the services provided are less extensive than the FAMIS Plus EPSDT program.

FAMIS enrolled children who live in localities not served by MCOs receive their care through FAMIS Fee-for-Service. This means that they can go to any physician in their locality as long as the physician is a FAMIS provider. The benefits these children receive are almost identical to the benefits FAMIS Plus children receive.

### **Can FAMIS Pay For Recent Medical Bills?**

FAMIS coverage is effective the first day of the month of application. Any unpaid medical bill during that month can be retroactively paid by FAMIS.

In the case of a newborn, FAMIS may be retroactive to the baby’s date of birth if the date of application is within 3 months of that date and the baby would have been otherwise eligible for FAMIS during that time. An evaluation of eligibility for this period of coverage is required and is requested by filling out information in Step 8 on the application. (This provision began in September 2006.)

### **Which Children Are Eligible For FAMIS?**

Uninsured children under the age of 19 living in families with qualifying incomes may be eligible for FAMIS. However, a child’s application must first be screened for FAMIS Plus eligibility and the child must be enrolled in FAMIS Plus if eligible for that program. The income limit for FAMIS is 200% FPL. Unlike FAMIS Plus, no “income disregards” will be subtracted from the family earnings.

*(Examples – A family of 2 earning \$29,140 a year or below or a family of 4 earning \$44,100 a year or below may have children eligible for FAMIS)\**

*\*The figures given as examples are based on the current Federal Poverty Guidelines, which are updated each year.*

### **Does It Matter If The Child Already Has Insurance?**

FAMIS is designed for **uninsured** children. Therefore, children currently covered by “creditable” health insurance policies are not eligible for FAMIS. Also, children who have been covered by such insurance during the past four months are not eligible for FAMIS unless they meet a “good cause exception” for having ended the prior insurance. If such an exception does not exist, the child may be eligible for FAMIS once he/she has been uninsured for four months. Note: The 4-month waiting period does not apply if the child was pregnant at the time of application.

In addition, children with access to subsidized family coverage under the state employee health insurance plan are not eligible for FAMIS.

## What Are The Costs For A Family?

Unlike FAMIS Plus, there are costs for some families associated with the FAMIS program. All families with children enrolled in FAMIS who receive their services *through a MCO* are required to pay copayments for services (doctor visits, prescriptions, etc.) Depending on family income, these copayments are generally \$2 or \$5. Preventive health care services (well-child checkups, dental services, etc.) do not require copayments.

Children enrolled in *FAMIS Fee-for-Service* and children of Alaska Native or American Indian decent do not pay copayments for any FAMIS services.

## How Long Does A Child Remain Eligible?

A child in FAMIS is guaranteed 12 months of continuous coverage in the program unless the child moves out of state or their family income rises above 200% of poverty. The family is responsible for reporting the two changes listed above to the FAMIS Central Processing Unit (CPU). If no change occurs, the child's eligibility must be renewed every 12 months. The FAMIS CPU will contact the family prior to their renewal date and request updated information to determine if the child is still eligible for FAMIS. A child's coverage will automatically end when he/she turns 19.

## Can A Family Use Their Employer's Health Insurance Instead?

There is a component of the FAMIS program, entitled "*FAMIS Select*" that allows the family to enroll in their employer-sponsored health insurance plan (or a private plan) and have FAMIS pay for a portion of the family coverage.

***Once a child has been enrolled in FAMIS***, the family can select this option by filling out an additional one-page form. Once approved, they sign up for family coverage through the employer/private plan. After providing proof of payment (paycheck stub showing family coverage deduction or cancelled check/statement for premium payment if it is a private plan), the family will be reimbursed up to \$100 per FAMIS child per month.

For example: a *FAMIS Select* family of six (mother, father and four FAMIS children) would receive \$400 per month toward the cost of family coverage.  
*Note: FAMIS Select will not reimburse an amount greater than the actual cost of the coverage, so if the total cost paid for insurance was only \$300, then this family would only receive \$300.*

The *FAMIS Select* option may help a family to afford family coverage that truly does cover the entire family, including family members not otherwise eligible for FAMIS (i.e. an uninsured spouse, a child over age 19, and some non-citizen children).

It is important to note that under *FAMIS Select* all the deductibles, coinsurance, and copayments required by the employer/private plan are the responsibility of the family. Over time these can add up to a significant financial outlay. FAMIS has only small copayments for most services and no copayments at all for preventive care. While it may seem like a "deal" to cover the family through *FAMIS Select*, it may be cheaper in the long run to

have children on “regular” FAMIS and just add coverage for the spouse through a work or private health plan. Families will need to consider this carefully when deciding whether to participate in the FAMIS *Select* option.

If at any time a family in FAMIS *Select* drops the private/employer coverage, the eligible children will revert to “regular” FAMIS coverage. Like regular FAMIS, a child must renew their coverage ever 12 months.

## **FAMIS MOMS**

### **What Is FAMIS MOMS?**

Started on August 1, 2005, FAMIS MOMS is a new addition to Virginia’s CHIP program. It provides health insurance coverage for uninsured pregnant women in low to moderate-income families who are not eligible for Medicaid due to excess income.

Eligibility for FAMIS MOMS is determined either at the FAMIS CPU or the local Department of Social Services. Once enrolled, case management, ongoing case maintenance, and selection of managed care for recipients are handled by the FAMIS CPU.

### **What Medical Services Are Covered?**

Pregnant women found eligible for FAMIS MOMS receive the same benefits as women enrolled in Medicaid for Pregnant Women, including routine transportation to doctor visits, if needed. Women enrolled in FAMIS MOMS who are over age 21 are not eligible for routine dental care or eyeglasses. Recipients under age 21 are eligible for EPSDT services.

In most localities in Virginia, FAMIS MOMS services are received through Managed Care Organizations (MCOs). In localities not served by MCOs, FAMIS MOMS may receive their care through Fee-for-Service. This means that they can go to any physician in their locality as long as the physician is a FAMIS MOMS/Medicaid provider.

### **Can FAMIS MOMS Pay For Recent Medical Bills?**

FAMIS MOMS coverage is effective the first day of the month of application. Any unpaid medical bill during that month can be retroactively paid by FAMIS MOMS.

### **Which Pregnant Women Are Eligible For FAMIS MOMS?**

Any uninsured pregnant woman living in families with eligible incomes that meet the nonfinancial eligibility criteria are eligible for FAMIS MOMS. A pregnant women’s application will be screened for Medicaid for Pregnant Women eligibility first and the pregnant woman must be enrolled in Medicaid for Pregnant Women if found eligible for that program. An applicant under age 19 will be screened for FAMIS Plus/FAMIS first and enrolled in the appropriate program if eligible.

The income guideline for FAMIS MOMS is greater than 133% FPL and less than or equal to 200% FPL. If a pregnant woman is ineligible for Medicaid for Pregnant Women due to being over income, she will be eligible for FAMIS MOMS as long as her income is under 200% FPL.

Like FAMIS Plus and Medicaid for Pregnant Women, “income disregards” will be subtracted from the family earnings prior to comparing family income to the income guidelines.

*(Example – A single pregnant woman, a family of 2, earning \$29,140 a year or below may be eligible for FAMIS MOMS)\**

*\*The figure given as an example is based on the current Federal Poverty Guidelines, which are updated each year.*

### **Does It Matter If The Pregnant Woman Already Has Insurance?**

FAMIS MOMS is designed for **uninsured** expectant mothers. Therefore, pregnant women currently covered by “creditable” health insurance policies are **NOT** eligible for FAMIS MOMS. Additionally, a pregnant woman who has **access** to the State Employee Health Plan is not eligible for FAMIS MOMS, even if she does not currently have the coverage.

### **What Are The Costs For A Pregnant Woman on FAMIS MOMS?**

At this time, there are no costs for pregnancy related covered services for an expectant mother enrolled in FAMIS MOMS. There may be small copayments for non-pregnancy related services.

### **How Long Does A Pregnant Woman Remain Eligible?**

Once a pregnant woman is enrolled in FAMIS MOMS, she is enrolled for the duration of her pregnancy and 60 days postpartum regardless of any changes in income.

### **Enrollment of the FAMIS MOMS Newborn**

Once a FAMIS MOMS recipient’s baby is born, her child will **NOT automatically be enrolled in FAMIS**. Following the birth, the mother must submit an application for the baby’s coverage to the FAMIS CPU.

To facilitate enrollment of the newborn, in the last month of pregnancy the expectant mother will receive a partially pre-filled application for the child from the FAMIS CPU. She is advised to take the application with her to the hospital and to complete it and fax it in once the child is born to ensure that it is received in a timely manner.

If birth-related expenses need to be covered, a signed application for the child must be received by DSS or the CPU within **3 months of the child’s birth** to ensure that these bills are covered. If the date of application is different than the month of birth, Step 8 must be completed on the application and additional months of income verification must be provided.