

Department of Finance and Administration
Division of Benefits Administration

Statement of Necessity Requiring Public Necessity Rules

I am herewith submitting amendments to the Rules of the Department of Finance and Administration concerning the operations of the CoverKids program established by Tennessee Code Annotated section 71-3-1101 et seq.

Public Necessity Rules are required because the Federal agency providing funding to the program has mandated certain changes in eligibility criteria. The deadlines for compliance cannot be accomplished through regular rulemaking procedures. Failure to comply with these mandates could result in the termination of Federal funding. Tennessee Code Annotated Section 4-5-209(a)(3).

For a copy of this Public Necessity Rule contact April Mayambu at Suite 2100, 312 8th Avenue North, William R. Snodgrass Tennessee Tower, Nashville, Tennessee 37243, (615) 741-0320.

M.D. Goetz, Jr.
Commissioner
Department of Finance and Administration

Public Necessity Rules
of
Department of Finance and Administration
Division of Benefits Administration

Chapter 0620-05-01
CoverKids Rules

Amendments

Subparagraph (a) of paragraph (1) of Rule 0620-05-01-.02, Eligibility, is amended by deleting the existing language and replacing it with the following:

- (a) Children must be citizens of the United States or persons designated as qualified aliens under 8 U.S.C. 1642 as applied to programs under Title XXI of the Social Security Act by federal law including 42 C.F.R. 457.320(b)(6). Notwithstanding any language to the contrary, CoverKids will grant eligibility to an unborn child whose mother is either an undocumented alien or a permanent resident alien who has not resided in the United States in that status for at least five years, to the extent that such coverage is mandated by the United States Department of Health and Human Services.

Authority: T.C.A. §§ 4-5-209, 71-3-1106. 71-3-1110.

All subparagraphs of paragraph (3) of Rule 0620-05-01-.02, Eligibility, are deleted in their entirety and replaced with the following:

- (a) All applicants must have a Social Security Number (SSN) or proof of application for a SSN. For newborns less than 4 months of age an application for an SSN must be filed. SSN are not required for parents and children not applying for CoverKids coverage.

- (b) Families with children under 4 months of age who were approved for CoverKids coverage without an SSN number should submit the SSN number to the AC as soon as received. A SSN must be received by redetermination.

Authority: T.C.A. §§ 4-5-209, 71-3-1106. 71-3-1110.

Paragraph (7) of Rule 0620-05-01-.02, Eligibility, is amended by deleting the existing language and replacing it with the following:

(7) Income

- (a) To be eligible for CoverKids, children and pregnant women must have adjusted gross income above TennCare Medicaid levels but below 250% of the Federal Poverty Level. CoverKids may enroll persons above 250% of the Federal Poverty Level under the terms and conditions set forth in these Rules. This program will use the limited self declared information on the application to screen each applicant for potential TennCare Medicaid eligibility by aligning with the guidelines currently used in the Department of Human Services for determination of both budget groups and income calculation to the extent possible. Final determination of TennCare eligibility will be determined by the Department of Human Services or TennCare. These guidelines are subject to change with changes to the Department of Human Services guidelines. Further, these guidelines are for TennCare screening purposes only and are subject to change in accordance with any mandatory regulations issued from the federal level.
- (b) The CoverKids application will request income information for adults who are parents (biological, adopted or step) and for caretaker relatives who are caring for children when neither parent lives in the home or in the event a parent lives in the house but the parent's current circumstances or conditions necessitate that a caretaker relative is the responsible adult assuming care of that child.
- (c) All family income of the budget group must be reported on the application. Self-declaration of income by the responsible adult(s) of the applicant or the applicant is sufficient verification and must include the payee's name and the gross amount of monthly income.
- (d) The financial eligibility for CoverKids will be calculated as follows:
 - 1. Depending on family relationships, a family may be comprised of one or multiple budget groups.
 - 2. If a child receives income and is applying for coverage, then that child and his income must be counted in the budget group.
 - 3. If a pregnant female is under the age of 19 and lives in the household with her parents, the pregnant female's budget group would consist of the pregnant minor and her parents.
- (e) Countable Income
 - 1. Self-declaration of income is allowed for applicants using the CoverKids application
 - 2. Eligibility determination is done on a monthly basis; therefore, income must be reported as a monthly amount.

- (f) Financial Factors - The AC will calculate each budget group's adjusted gross income for the month that eligibility will begin based on recent income information provided by the family on the CoverKids application. Adjusted gross income is the sum of all countable income for persons in the budget group.

Authority: T.C.A. §§ 4-5-209, 71-3-1106. 71-3-1110.

The public necessity rules set out herein were properly filed in the Department of State on the 22nd day of February, 2008, and will be effective from the date of filing for a period of 165 days. These public necessity rules will remain in effect through the day of 5th day of August, 2008. (FS 02-16-08; DBID 2832)