■ B. Revising paragraph (a)(2).

The revisions read as follows:

§ 435.1001 FFP for administration.

(a) FFP is available in the necessary administrative costs the State incurs in—

* * * * *

(2) Administering presumptive eligibility.

* * * * *

■ 84. Section 435.1002 is amended by—

■ A. Republishing paragraph (c) introductory language.

■ B. Revising paragraphs (c)(1) and (c)(4).

The revisions read as follows:

§ 435.1002 FFP for services.

* * * * *

(c) FFP is available in expenditures for services covered under the plan that are furnished—

(1) During a presumptive eligibility period to individuals who are determined to be presumptively eligible for Medicaid in accordance with subpart L of this part;

* * * * *

(4) Regardless of whether such individuals file an application for a full eligibility determination or are determined eligible for Medicaid following the presumptive eligibility period.

■ 85. Section 435.1004 is amended by revising paragraph (b) to read as follows:

§ 435.1004 Beneficiaries overcoming certain conditions of eligibility.

* * * * *

(b) FFP is available for a period not to exceed—

(1) The period during which a recipient of SSI or an optional State supplement continues to receive cash payments while these conditions are being overcome; or

(2) For beneficiaries, eligible for Medicaid only and recipients of SSI or an optional State supplement who do not continue to receive cash payments, the second month following the month in which the beneficiary's Medicaid coverage would have been terminated.

■ 86. Section 435.1008 is revised to read as follows:

§ 435.1008 FFP in expenditures for medical assistance for individuals who have declared citizenship or nationality or satisfactory immigration status.

(a) This section implements sections 1137 and 1902(a)(46)(B)of the Act.

(b) Except as provided in paragraph (c) of this section, FFP is not available to a State for expenditures for medical assistance furnished to individuals unless the State has verified citizenship or immigration status in accordance with § 435.956 of this part.

(c) FFP is available to States for otherwise eligible individuals whose declaration of U.S. citizenship or satisfactory immigration status in accordance with section 1137(d) of the Act and § 435.406(a)(1)(i) of this part has been verified in accordance with § 435.956, or for whom benefits are provided during a reasonable opportunity period to verify citizenship, nationality, or immigration status in accordance with section § 435.956(a)(2) of this part.

FFP for Premium Assistance

■ 87. Add a new undesignated center heading immediately following § 435.1012 as set forth above.

■ 88. Section 435.1015 is added to read as follows:

§ 435.1015 FFP for premium assistance for plans in the individual market.

(a) FFP is available for payment of the costs of insurance premiums for an individual health plan on behalf of an individual who is eligible for Medicaid under this part, subject to the following conditions:

(1) The insurer is obligated to pay primary to Medicaid for all health care items and services for which the insurer is legally and contractually responsible under the individual health plan, as required under part 433 subpart D of this chapter;

(2) The agency furnishes all benefits for which the individual is covered under the State plan that are not available through the individual health plan;

(3) The individual does not incur any cost sharing charges in excess of any amounts imposed by the agency under subpart A of part 447; and

(4) The cost of purchasing such coverage, including administrative expenditures and the costs of providing wraparound benefits for items and services covered under the Medicaid State plan, but not covered under the individual health plan, must be comparable to the cost of providing direct coverage under the State plan.

(b) A State may not require an individual who is eligible for services under the Medicaid State plan to enroll in premium assistance under this section as a condition of eligibility under this part.

Subpart L—Options for Coverage of Special Groups Under Presumptive Eligibility

■ 89. The heading for subpart L is revised as set forth above.

■ 90. Section 435.1100 is revised to read as follows:

§ 435.1100 Basis for presumptive eligibility.

This subpart implements sections 1920, 1920A, 1920B, 1920C, and 1902(a)(47)(B) of the Act.

■ 91. Remove the undesignated center heading ''Presumptive Eligibility for Children'' that is immediately before § 435.1101.

■ 92. Section 435.1101 is amended by—

■ A. Removing the definition of ''Application form.''

■ C. Adding the definition of ''Application.''

■ D. Amending the definition of ''Qualified entity'' by redesignating paragraph (10) as paragraph (11), and adding a new paragraph (10).

The additions read as follows:

§ 435.1101 Definitions related to presumptive eligibility for children.

Application means, consistent with the definition at § 435.4 of this part, the single streamlined application adopted by the agency under § 435.907(a) of this part.

* * * * *

Qualified entity * * *

(10) Is a health facility operated by the Indian Health Service, a Tribe or Tribal organization under the Indian Self Determination and Education Assistance Act (25 U.S.C. 450 et seq.), or an Urban Indian Organization under title V of the Indian Health Care Improvement Act (25 U.S.C. 1651 et seq.).

* * * * *

■ 93. Section 435.1102 is amended by—

■ A. Revising the section heading.

■ B. Revising paragraphs (a) and (b)(3).

■ C. Removing ''and'' at the end of paragraph (b)(2)(iv)(B) and adding ''and'' at the end of paragraph (b)(2)(v)(B);

■ D. Adding paragraphs (b)(2)(vi), (d) and (e).

■ E. Removing paragraph (b)(4).

The revisions and additions read as follows:

§ 435.1102 Children covered under presumptive eligibility.

(a) The agency may elect to provide Medicaid services for children under age 19 or a younger age specified by the State during a presumptive eligibility period following a determination by a qualified entity, on the basis of preliminary information, that the individual has gross income (or, at state option, a reasonable estimate of household income, as defined in § 435.603 of this part, determined using simplified methods prescribed by the

agency) at or below the income standard established by the State for the age of the child under § 435.118(c) or under § 435.229 if applicable and higher.

(b) * * *

(2) * * *

(vi) Do not delegate the authority to determine presumptive eligibility to another entity.

(3) Establish oversight mechanisms to ensure that presumptive eligibility determinations are being made consistent with the statute and regulations.

* * * * *

(d) The agency—

(1) May require, for purposes of making a presumptive eligibility determination under this section, that the individual has attested to being, or another person who attests to having reasonable knowledge of the individual's status has attested to the individual being, a—

(i) Citizen or national of the United States or in satisfactory immigration status; or

(ii) Resident of the State; and

(2) May not—

(i) Impose other conditions for presumptive eligibility not specified in this section; or

(ii) Require verification of the conditions for presumptive eligibility.

(e) Notice and fair hearing regulations in subpart E of part 431 of this chapter do not apply to determinations of presumptive eligibility under this section.

■ 94. Section 435.1103 is added to read as follows:

§ 435.1103 Presumptive eligibility for other individuals.

(a) The terms of § 435.1101 and § 435.1102 of this subpart apply to pregnant women such that the agency may provide Medicaid to pregnant women during a presumptive eligibility period following a determination by a qualified entity that the pregnant woman has income at or below the income standard established by the State under § 435.116(c), except that coverage of services provided to such women are limited to ambulatory prenatal care and the number of presumptive eligibility periods that may be authorized for pregnant women is one per pregnancy.

(b) If the agency provides Medicaid during a presumptive eligibility period to children under § 435.1102 of this subpart or to pregnant women under paragraph (a) of this section, the agency may also apply the terms of § 435.1101 and § 435.1102 of this subpart to the individuals described in one or more of the following sections of this part, based on the income standard established by the state for such individuals and providing the benefits covered under that section: §§ 435.110 (parents and caretaker relatives), 435.119 (individuals aged 19 or older and under age 65), 435.150 (former foster care children), and 435.218 (individuals under age 65 with income above 133 percent FPL).

(c)(1) The terms of § 435.1101 and § 435.1102 of this subpart apply to individuals who may be eligible under § 435.213 of this part (relating to individuals with breast or cervical cancer) or § 435.214 of this part (relating to eligibility for limited family planning benefits) such that the agency may provide Medicaid during a presumptive eligibility period following a determination by a qualified entity described in paragraph (c)(2) of this section that—

(i) The individual meets the eligibility requirements of § 435.213; or

(ii) The individual meets the eligibility requirements of § 435.214, except that coverage provided during a presumptive eligibility period to such individuals is limited to the services described in § 435.214(d).

(2) Qualified entities described in this paragraph include qualified entities which participate as a provider under the State plan and which the agency determines are capable of making presumptive eligibility determinations.

■ 95. Section 435.1110 is added to read as follows:

§ 435.1110 Presumptive eligibility determined by hospitals.

(a) *Basic rule.* The agency must provide Medicaid during a presumptive eligibility period to individuals who are determined by a qualified hospital, on the basis of preliminary information, to be presumptively eligible in accordance with the policies and procedures established by the State consistent with this section and §§ 435.1102 and 435.1103 of this part, but regardless of whether the agency provides Medicaid during a presumptive eligibility period under such sections.

(b) *Qualified hospitals.* A qualified hospital is a hospital that—

(1) Participates as a provider under the State plan or a demonstration under section 1115 of the Act, notifies the agency of its election to make presumptive eligibility determinations under this section, and agrees to make presumptive eligibility determinations consistent with State policies and procedures;

(2) At State option, assists individuals in completing and submitting the full application and understanding any documentation requirements; and

(3) Has not been disqualified by the agency in accordance with paragraph (d) of this section.

(c) *State options for bases of presumptive eligibility.* The agency may—

(1) Limit the determinations of presumptive eligibility which hospitals may elect to make under this section to determinations based on income for children, pregnant women, parents and caretaker relatives, and other adults, consistent with § 435.1102 and § 435.1103 of this subpart; or

(2) Permit hospitals to elect to make presumptive eligibility determinations on additional bases under the State plan or an 1115 demonstration.

(d) *Disqualification of hospitals.* (1) The agency may establish standards for qualified hospitals related to the proportion of individuals determined presumptively eligible for Medicaid by the hospital who:

(i) Submit a regular application, as described in § 435.907 of this part, before the end of the presumptive eligibility period; or

(ii) Are determined eligible for Medicaid by the agency based on such application.

(2) The agency must take action, including, but not limited to, disqualification of a hospital as a qualified hospital under this section, if the agency determines that the hospital is not—

(i) Making, or is not capable of making, presumptive eligibility determinations in accordance with applicable state policies and procedures; or

(ii) Meeting the standard or standards established by the agency under paragraph (d)(1) of this section.

■ 96. Section 435.1200 is amended by—

■ A. Revising the section heading.

■ B. Revising paragraphs (a), (b), (c) introductory text, (c)(3), (d), and (e).

■ C. Adding paragraphs (g).

The revisions and additions read as follows.

§ 435.1200 Medicaid agency responsibilities for a coordinated eligibility and enrollment process with other insurance affordability programs.

(a) *Statutory basis, purpose, and definitions.* (1) *Statutory basis and purpose.* This section implements sections 1943(b)(3) and 2201(b)(3)(B) of the Affordable Care Act to ensure coordinated eligibility and enrollment among insurance affordability programs.

(2) *Definitions.*

(i) *Combined eligibility notice* has the meaning as provided in § 435.4 of this part.