



# **CHIP Analysis Update and Review of Governors' Letters**

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# Overview

- Current status of CHIP funding extension
- Update on CHIP analysis plan for current report cycle
- Summary of key themes from governors' responses to the congressional letter on the future of CHIP

# Current Status of CHIP

- No new congressional activity to extend CHIP
- States need direction before state fiscal year 2016 (begins July 1, 2015 except in Alabama, Michigan, New York, Texas)

# Discussion of Key Policy Questions In 2014-2015 Meeting Cycle

- How will covered benefits and cost sharing change?
- What coverage will CHIP enrollees be eligible for?
- How does affordability of coverage in CHIP and QHP compare?
- Are consumer protections adequate as children move between sources of coverage?
- What is the impact on state and federal budgets?
- How can adequacy of pediatric networks be ensured?

# Congressional Letter to Governors on CHIP

- House Energy and Commerce Committee and Senate Finance Committee July 2014 letter to governors on the future of CHIP
- MACPAC reviewed responses from 40 states

# Key Take-Aways From Governors

- Most states (38) support extending CHIP funding; 3 thought exchanges would be able to meet children's needs
- CHIP coverage is more generous and more affordable than exchange coverage
- An expedited decision on CHIP funding is needed because of state budget cycles
- The current structure for CHIP allotment redistribution works for states

# Governors' Greatest Concerns if CHIP Funding Is Not Extended

- Increased rates of uninsurance for children
- Higher premiums and cost sharing for children moving from CHIP to QHPs
- Differences in covered benefits, e.g., EPSDT, behavioral health, and dental care
- State fiscal issues due to lower federal matching rate for Medicaid-expansion CHIP programs

# Strategies for Reducing the Number of Children Who Are Eligible but Not Enrolled

Governors identified several strategies, such as:

- addressing family glitch
- restarting CHIPRA bonus fund, supporting enrollment simplification activities
- providing additional outreach funding
- CHIP premium subsidies to purchase QHP coverage or ESI