



**MACPAC**  
Medicaid and CHIP Payment and Access Commission



# **Policy Issues and Preliminary Options for the Future of CHIP**

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# Overview

- June 2014 report laid out a vision for children's coverage.
- To inform that vision, staff have presented a series of new analyses on key issues.
- This session brings together these issues, Commission findings, and preliminary options.
- What changes are necessary to achieve the Commission's vision for the future for children's coverage?

# Policy Goals

1. Access to affordable coverage for low-income children
2. Adequacy of coverage for low-income children
3. Smooth transitions across sources of coverage
4. Equitable treatment of states
5. Appropriate use of public dollars

# Policy Goals and Commission Findings

1. Access to affordable coverage for low-income children
  - a. 1.1 million low-income children with separate CHIP coverage are projected to become uninsured if CHIP funding is exhausted and no other legislative changes are made
  - b. Premium contributions are generally higher for enrollees in exchange plans versus CHIP, but vary based on whether parents are already enrolled and other factors
  - c. Exchange plan cost sharing is generally more expensive than CHIP for families

# Policy Goals and Commission Findings

## 2. Adequacy of coverage for low-income children

Major medical benefits similar, but:

- a. Dental coverage is a significant gap since most exchange plans do not cover
- b. Audiology and certain autism services are less likely to be covered in exchange plans
- c. Some concerns with exchange plan provider networks are raised, but data to compare CHIP and exchange networks are limited

# Policy Goals and Commission Findings

3. Smooth transitions across sources of coverage
  - a. Some children may experience gaps in coverage when transitioning from CHIP to other sources of coverage
  - b. Children moving from CHIP to exchange coverage may lose access to their current providers

# Policy Goals and Commission Findings

## 4. Equitable treatment of states

- a. Medicaid-expansion CHIP programs must continue at increased state cost, but separate CHIP programs may end, limiting state financial exposure
- b. Territories would lose supplemental funding for their Medicaid allotments if CHIP funding is exhausted

# Policy Goals and Commission Findings

5. Appropriate use of public dollars
  - a. Federal and state fiscal impact must be considered in all options for the future of children's coverage
  - b. MACPAC will work with CBO to obtain cost estimates for policy options that are of interest to the Commission



# Questions for Discussion

- Which policy options advance the Commission's vision for the future of children's coverage?
- What are the relationships and trade-offs among the options?
- What is the best way to:
  - weigh sometimes competing policy goals, and
  - minimize complexity and burden?