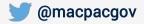


# **Children's Coverage Recommendations: Draft Specifications**

Medicaid and CHIP Payment and Access Commission Joanne Jee



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# Agenda

- Review draft recommendation elements and specifications
  - Extend CHIP funding
  - Permit optional, CHIP-funded exchange subsidies
  - Broaden state innovation waivers
  - Extend expiring provisions
- Next steps



## **Extend CHIP**

- **Duration:** Extend CHIP funding for five years, through fiscal year (FY) 2022
- Maintenance of effort (MOE): Permit MOE to expire after FY 2019 (current law)
- CHIP matching rate:
  - Phase out the 23 percentage point differential in the federal CHIP matching rate by FY 2020
  - Provide a 5 percentage point differential in the federal CHIP matching rate beginning in FY 2020 for states with CHIP eligibility at or above 250% of the federal poverty level (FPL)



## **Optional, CHIP-financed exchange subsidies**

• **Subsidies:** Allows use of CHIP funds to provide CHIP-eligible children with subsidies for purchasing exchange coverage

Decision point on federal exchange subsidies

- **Eligibility:** State determined, up to state CHIP income eligibility limits
- Affordability:
  - CHIP limit on out-of-pocket spending applies
  - Actuarial value of exchange coverage substantially similar to state's CHIP coverage



## **Optional, CHIP-financed exchange subsidies (continued)**

- **Benefits:** Benefits must meet state CHIP coverage levels, including oral health services
- Effect on cost and coverage:
  - State approach must promote efficiency and coverage
  - Public notice and comment prior to submitting state plan amendment
- Federal evaluation: Secretarial assessment of the impact on coverage, access to care, affordability, and network adequacy



## **Optional, CHIP-financed exchange subsidies (continued)**

Decision point: Should CHIP-eligible children receive CHIP-financed subsidies

- in addition to federal exchange subsidies OR
- without federal exchange subsidies?

#### **Broaden state innovation waivers**

- New waiver option: Directs Secretary to establish waiver program to integrate Medicaid, CHIP, and exchange coverage for children, and make transitions more seamless
  - Secretary would establish state participation criteria and a waiver template
  - States must prevent losses in coverage rates of eligible children
  - Medicaid rules apply for children at or below 133%
    FPL



## **Broaden state innovation waivers** (continued)

- Federal funding: Medicaid, CHIP, and exchange funds that would have been spent covering children
- Federal evaluation: Secretarial assessment of the impact on coverage, access to care, affordability, and network adequacy



# **Expiring provisions**

Extend through FY 2022:

- Express Lane Eligibility authority for children in Medicaid and CHIP
- Funding for outreach and enrollment grants
- Funding for pediatric quality measures
- Funding for childhood obesity demonstration projects



## **Next steps**

- Staff to prepare draft recommendation language based on today's discussion
- October: Commission review of draft recommendation language
- December: Commission vote
- Publish recommendations with accompanying rationale and other text in advance of March report





## Children's Coverage Recommendation Package: Draft Specifications

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