The information provided in this document is intended only to be a general informal summary of technical legal standards. It is not intended to take the place of the statutes, regulations, or formal policy guidance that it is based upon. This document summarizes current policy and operations as of the date it was presented. We encourage readers to refer to the applicable statutes, regulations, and other interpretive materials for complete and current information. This communication was produced and disseminated at U.S. taxpayer expense.
Background
What is CHIP?

- Health coverage for uninsured children in families who earn too much to qualify for Medicaid but too little to afford private coverage (many of your family applications will include children eligible for CHIP)!

- Provided enhanced federal matching rate to give states an incentive to adopt CHIP

- States decide program design
  - Separate program
  - Expand Medicaid
  - Combination of separate and Medicaid expansion
CHIP was designed to stand on the shoulders of Medicaid
Background Legislation

- The Balanced Budget Act of 1997: $40 billion over 10 years
- The Children's Health Insurance Program Reauthorization Act of 2009 (CHIPRA): $44 billion from FY 2009-2013; $100 million in outreach funding
- The Patient Protection and Affordable Care Act (Affordable Care Act): $42.2 billion from FY 2013-2015; $40 million in outreach funding
- Helping Ensure Access for Little Ones, Toddlers, and Hopeful Youth by Keeping Insurance Delivery Stable Act of 2018 (HEALTHY KIDS Act): $144.4 billion from FY 2018-2023; $120 million in outreach and enrollment funding
- Advancing Chronic Care, Extenders, and Social Services Act of 2018 (ACCESS Act): such sums as necessary from FY 2024-2026, $15.3 billion + such sums as necessary for FY 2027; $48 million in outreach and enrollment funding
CHIP Program Design (3 Options)  
Option 1: CHIP Medicaid Expansions

All Medicaid state plan rules apply, including:

- Cost sharing
- Benefits (including EPSDT)
- Delivery system
- State-wide
CHIP Program Design
Option 2: Separate CHIPS

States have flexibility around program design, including:

- Administration
- Eligibility
- Benefits
- Cost-Sharing
CHIP Program Design
Option 3: Combination Separate & Medicaid Expansion

- States can have both a separate CHIP program and use title XXI funds for children in Medicaid

- 40 states currently have “combination” programs
CHIP Program Structure by State

- **Medicaid expansions:** 8 States, 5 Territories & D.C.
- **Combinations of Medicaid expansions and separate programs:** 40 states
- **WA and CT are separate programs with no CHIP Medicaid expansions.**
How Separate CHIPS are Similar to Medicaid

- Both programs provide coverage to low-income populations
- Application of Modified Adjust Gross Income conversion
- Same eligibility and enrollment procedures (i.e., use of single streamlined application)
- Program features to streamline enrollment:
  - 12 month continuous eligibility
  - Presumptive eligibility
  - Express lane eligibility
- Electronic verification when possible
- Pregnant woman option
How Separate CHIPS are *Different* from Medicaid

- Enhanced Federal match rate (eFMAP) higher in CHIP than Medicaid
- Capped and formula driven allotment in CHIP
- Must be uninsured in CHIP
- Children of state employees are covered in Medicaid, but may only be covered in CHIP if the state meets certain criteria and submits a State Plan amendment
- Conception to birth option in CHIP
- Waiting periods permitted in CHIP
- EPSDT is voluntary in CHIP
- Premium and co-payments are more common (with protections) in CHIP
Separate CHIPS
Who is Covered?

- Targeted Low-Income Children:
  - Under age 19
  - Uninsured and not eligible for Medicaid
  - Generally, up to 200% Federal poverty level (FPL) or 50 percentage points higher than Medicaid level as of June 1, 1997 (many states go higher)
  - No access to public employee coverage (except at state option) and not an inmate of a public institution
  - State-defined standards
  - Conception to birth or unborn child (optional)

- Pregnant women (optional)
## Separate CHIPS
### Who is Covered?

<table>
<thead>
<tr>
<th>CHIP (Title XXI) Upper Income Eligibility Levels (%FPL)</th>
<th>States</th>
</tr>
</thead>
<tbody>
<tr>
<td>≤200 %</td>
<td>9</td>
</tr>
<tr>
<td>(AZ, ID, MI, NE, NV, ND, UT, VA, WY)</td>
<td></td>
</tr>
<tr>
<td>201 % ≤ 250%</td>
<td>18</td>
</tr>
<tr>
<td>(AK, AR, DE, FL, GA, IN, KS, KY, LA, ME, MS, NC, OH, OK, SC, SD, TN, TX)</td>
<td></td>
</tr>
<tr>
<td>250% (highest at 400%)</td>
<td>23</td>
</tr>
<tr>
<td>(AL, CA, CO, CT, DC, HI, IL, IA, MD, MA, MN, MO, MT, NJ, NM, NY, OR, PA, RI, VT, WA, WV, WI)</td>
<td></td>
</tr>
<tr>
<td>Pregnant women</td>
<td>5</td>
</tr>
<tr>
<td>(CO, MO, NJ, RI, VA)</td>
<td></td>
</tr>
</tbody>
</table>

Children’s Health Insurance Program eligibility levels in each state
Separate CHIPs
Substitution Strategies

- Statute requires that states ensure CHIP does not substitute for coverage under group health plans
- The majority (21) of states have elected to monitor for substitution through surveys and private insurance database checks
- 15 states have elected to institute a waiting period to prevent substitution. Waiting periods:
  - Cannot exceed 90 days
  - Must adopt certain federal exemptions
  - Option to adopt state additional state exemptions
  - For more state specific detail on waiting periods go to https://www.medicaid.gov/chip/eligibility-standards/waiting-periods/index.html
Separate CHIPS
Benefits and Cost Sharing

- Comprehensive benefit packages, especially for “child-specific” services (such as dental, vision, and habilitation services)

- Flexibility in program design allows for premiums, enrollment fees, and cost sharing as long as out-of-pocket costs are below 5% of family income, but very few CHIP families reach the 5% cap

- CHIP offers affordable coverage, with the median actuarial values of 36 separate CHIPS at 99.5%
Connecting Kids to Coverage
Outreach and Enrollment Grants

- Since 2009, CMS has made available $162 million in awards to states, providers, and community-based organizations to support the enrollment and retention of eligible children in Medicaid and CHIP

- Recent cycles of grantees funded by MACRA
  - 38 grantees (across 27 states) broadly targeting uninsured children eligible for Medicaid and CHIP, funded for two years ending June 30, 2018, but many receiving no cost extensions
  - 8 grantees (across 6 states) targeting American Indian/Alaska Native children funded for two years ending June 30, 2019
  - A number of these grantees are also Navigators, or coordinate closely with Navigators to ensure that a holistic approach is taken to provide coverage to all eligible members in the family
Connecting Kids to Coverage
National Campaign

- Raises awareness about Medicaid and CHIP and provides outreach guides and toolkits that can be used to help states, community organizations, schools, health care providers and others organize and conduct successful outreach activities
  - Radio and television public service announcements
  - Check out [www.insurekidsnow.gov](http://www.insurekidsnow.gov) for resources!
Children’s Coverage Gains

- Since 2009, the nation has made substantial progress on reducing the number of uninsured children and increasing the participation of eligible children in Medicaid and CHIP.

- The uninsurance rate for children has declined to its lowest levels on record-- historic low of 4.5 percent!*

- Participation of eligible children enrolled in Medicaid and CHIP is over 93 percent.**


Children’s Coverage Gains
Medicaid & CHIP Participation has Increased

### Children’s Coverage Gains

Children’s Enrollment in Medicaid & CHIP Grows to over 46 Million

<table>
<thead>
<tr>
<th></th>
<th>CHIP</th>
<th>Medicaid</th>
<th>Combined CHIP and Medicaid</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FY2015</strong></td>
<td>8,439,933</td>
<td>36,813,533</td>
<td>45,253,466</td>
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<tr>
<td><strong>FY2016</strong></td>
<td>9,013,687</td>
<td>37,054,967</td>
<td>46,068,654</td>
</tr>
<tr>
<td><strong>FY2017</strong></td>
<td>9,460,160</td>
<td>36,862,057</td>
<td>46,322,217</td>
</tr>
</tbody>
</table>

Medicaid and CHIP cover 1 in every 2 children in the United States.
CHIP Enrollment

9.4 million children enrolled!

CMS Statistical Enrollment Data System 2017 Children’s Enrollment Report

Looking Ahead
Our Work is Not Done

- Challenge of enrolling the remaining eligible, but uninsured children

- Who are the remaining uninsured?*
  - **Race/ethnicity** –
    - Approximately 35% of eligible unenrolled children are Hispanic
    - American Indian/Alaska Native children have the highest uninsured rate (16.9%), followed by Black/non-Hispanic (7.9%) and Hispanic children (7.7%)
  - **Age** – 86.8% of uninsured children are school-aged (ages 5-17)
  - **Urban/rural** – Rural children have higher rates of uninsurance, but most uninsured children live within a Metropolitan Statistical Area (83.9%)
  - **Geography** – 46% of the uninsured live in the South

- Our work is not done!

CHIP Extension Legislation

- HEALTHY KIDS and ACCESS Acts extend CHIP for 10 years!
CHIP Extension Legislation

- HEALTHY KIDS and the ACCESS Acts provide authority for CHIP allotments through FFY 2027
- 10 year CHIP extension provides funding stability and the opportunity to reach the remaining uninsured children eligible for Medicaid and CHIP and improve quality of care and access in these programs
  - MOE provisions, an important protection for eligibility levels, is extended through FFY 2027, but modified starting in FFY 2020 to only apply to children in families with income at or below 300 percent of the FPL
  - Express lane eligibility extended through 2027
  - Pediatric quality measures program extended through 2027, with mandatory reporting beginning in 2024
CHIP Extension Legislation

- New funding for the Connecting Kids to Coverage
  - **$120 million through FFY 2023**
    - $96 million for outreach and enrollment grants broadly targeting uninsured children eligible for Medicaid and CHIP
    - $12 million for outreach and enrollment grants targeting American Indian/Alaska Native children eligible for Medicaid and CHIP
    - $12 million for the National Campaign
  - **$48 million through 2024-2027**
    - $33.6 million for outreach and enrollment grants broadly targeting uninsured children eligible for Medicaid and CHIP
    - $4.8 million for outreach and enrollment grants targeting American Indian/Alaska Native children eligible for Medicaid and CHIP
    - $4.8 million for the National Campaign
    - $4.8 million for technical assistance

- Organizations may include parent mentors to assist families with enrollment and retention in Medicaid and CHIP

- Stay tuned for more information on the Notice of Funding Opportunity announcement in the coming months!