

FOR MORE THAN A DECADE, CHIP HAS BEEN WORKING FOR KIDS



FIRST FOCUS

MAKING CHILDREN & FAMILIES THE PRIORITY

The State Children's Health Insurance Program (CHIP) provides health coverage to more than seven million low-income children in families whose income is too high to qualify for Medicaid, but who don't earn enough to purchase private health insurance on their own. Since its inception in 1997, CHIP has reduced the number of uninsured children by almost a third – even as uninsured rates for adults increased steadily. No government program has been more successful in expanding coverage for children.

Along with Medicaid, CHIP ensures that millions of children across the nation are able to access necessary medical services. Like Medicaid, CHIP is jointly funded through a federal-state partnership. States design and operate their CHIP programs, which can be run as an expansion of a state's Medicaid program, as a stand-alone program, or as a combination of the two. In some states, children in CHIP receive Early and Periodic, Screening, Diagnosis, and Treatment (EPSDT) services, Medicaid's comprehensive and preventive child health benefit. It requires states to provide eligible children with regular screening, vision, dental, and hearing assessments and any necessary follow-up services. It also requires states to provide medically-necessary health care services. In states that operate stand-alone CHIP programs, children receive a range of benefits such as: health screenings (including vision and hearing exams); preventive health care, such as immunizations; inpatient and outpatient hospital care; well-child check-ups and sick-child care; lab services; prescription medications.

CHIP allows children access to pediatric-specific provider networks, and goes above and beyond many private insurance plans in addressing the unique needs of low-income children. CHIP provides cost-sharing protections to ensure that no families face out-of-pocket costs that exceed 5% of their family income.

Together, CHIP and Medicaid provide coverage for nearly 42 million children in the U.S. – one-third of all children. Having health insurance is essential for a child to grow up healthy and strong. Children with health insurance are more likely than their uninsured counterparts to have a usual source of health care, to have seen a doctor in the previous year, and to have their health care needs met. There is strong public support for CHIP, as well as a high rate of satisfaction among beneficiaries.

Despite CHIP's success, there are still 7.3 million children who are uninsured. Two-thirds of children eligible to receive coverage under CHIP and Medicaid remain unenrolled due to bureaucratic barriers and administrative red tape. Even if fully implemented, CHIP would leave 5-6 million children uninsured. And, as unemployment continues to rise, more children are likely to need health coverage. While CHIP is an essential program it is only part of the equation that will get us to the day when all children in the U.S. are covered. Health reform must build on CHIP and Medicaid by protecting coverage for those who are currently enrolled and filling in the gaps to ensure that all children are able to get the health services they need.



KEY IMPROVEMENTS TO CHIP IN 2009

On February 4, 2009, President Obama signed into law the Children's Health Insurance Program Reauthorization Act (CHIPRA) (P.L. 111-3). In reauthorizing CHIP, Congress maintained the program's essential benefits and cost-sharing protections, and built on the decade of data and experience. CHIPRA added important new provisions to improve access to care and health coverage for children in low-income families. Among the victories for children that were included in the reauthorization bill were:

- **Eliminating Waiting Periods.** CHIPRA eliminated the five-year waiting period for legal immigrant children and pregnant women, allowing states the option to cover these populations in CHIP and Medicaid.
- **Coverage for Low-Income Pregnant Women.** CHIPRA allowed states to provide coverage to pregnant women through a state plan amendment, with no waiver approval required.
- **Enrollment Simplifications.** CHIPRA included new Express Lane Eligibility provisions to allow states additional options to retain and enroll eligible children on Medicaid and CHIP. For example, the law allows states to use relevant data from other public programs, like foods stamps, school lunch and WIC, to determine a child's eligibility for Medicaid or CHIP.
- **Outreach and Enrollment Grants.** CHIPRA established a new grant program to finance outreach and enrollment efforts that increase participation of eligible children in both Medicaid and CHIP, including: funding for a national enrollment campaign; grants to states, local governments, schools, and other non-profit organization; and targeted funding to improve enrollment of Native American children in public programs.
- **Dental Benefits.** CHIPRA requires state CHIP plans to cover dental services.
- **EPSDT Services in Medicaid.** CHIPRA clarified that EPSDT services must be provided as part of any benchmark benefit package for children on Medicaid.

Medicaid and CHIP are important examples of programs that have been successful in providing affordable, comprehensive, high quality coverage for low-income children, and they should serve as models upon which any new coverage systems are built. We must continue building on the progress of both of these programs to help us reach the day when every child in America has the health care they need and deserve.

**For Additional
Information Contact:**

Lisa Shapiro

Vice President, Child Health

LisaS@firstfocus.net

202.657.0675