

The Future of the Children's Health Insurance Program (CHIP)

Meg Booth

Director of Policy

Children's Dental Health Project

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Created in 1997 in response to the lack of a CHIP dental benefit, Children's Dental Health Project is an independent non-profit organization working to:

- » Prevent childhood tooth decay, because cavities are the result of a disease that is *overwhelmingly preventable*
- » Promote innovative, cost-effective solutions grounded in science and support exploration where evidence is lacking
- » Engage decision-makers to address oral health disparities to improve our nation's health

CHIP: 1997-2007

Number of covered children: 6 million

Dental Benefit: State Option

- 18 states: Medicaid/EPSDT dental benefit for all CHIP children
- 31 states: State-designed dental coverage for all or some CHIP children
- 1 state: No dental benefit
- Unstable benefit: States could drop or reduce coverage at any time (e.g. TN, TX, UT, GA)
- Children with private medical insurance coverage were not eligible for dental benefits in CHIP

CHIPRA 2009

- ✓ Dental coverage guarantee
- ✓ Dental wrap-around option
- ✓ Mandatory performance reporting
- ✓ New parent education
- ✓ Allowance for public-private contracting
- ✓ Mandatory information for beneficiaries
- ✓ Quality assurance
- ✓ GAO study on dental access and providers



CHIP: 2013

Eligibility and design vary across states:

- Expansion of Medicaid (8 states, 5 territories)
- Separate CHIP (14 states)
- Combination (29 states)
- Upper-income eligibility: 175% FPL (ND) to 405% FPL (NY)

Enrollment (FY 2013):

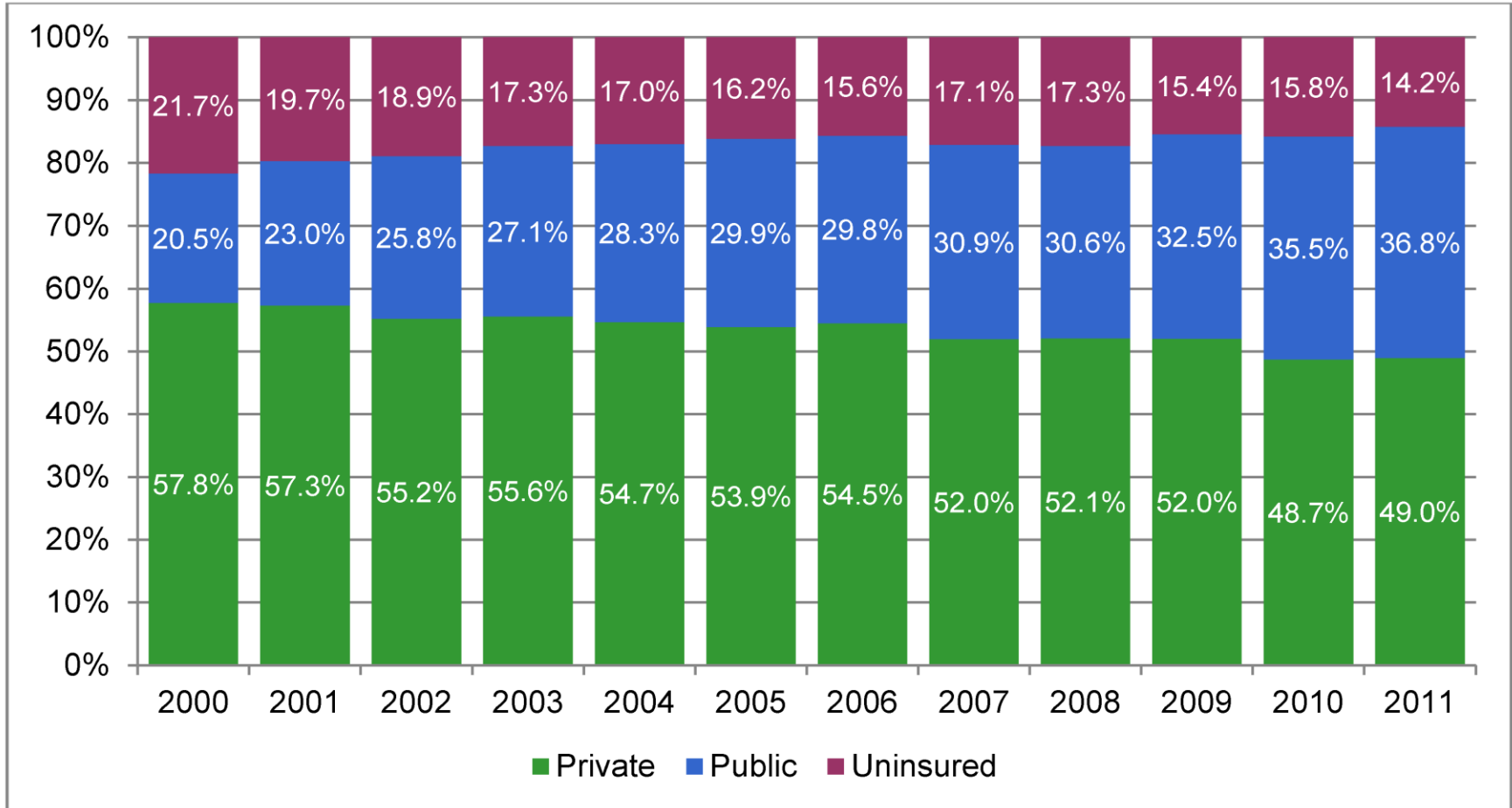
- 8.1 million children
- 88.8% <200 percent FPL; 8.6% between 201-250 percent FPL; and 2.6% above 250 percent FPL

Financing

- Enhanced federal matching rate (E-FMAP) ranges from 65% in 15 states to 81% in Mississippi
- FY 2013 spending = \$13 billion (70%/30% federal/state)

Expanding coverage for kids

Source of Dental Benefits, Children Ages 2 to 18



6 Source: Nasseh K and Vujicic M. Dental benefits continue to expand for children, remain stable for working-age adults. American Dental Association, Health Policy Resources Center, October 2013.

What's Happening with CHIP?

- CHIPRA: reauthorized the program (and included dental)
- ACA: continued CHIP funding until **October 2015**
- If nothing is done, October 1, 2015:
 - Federal CHIP funds will end
 - **Separate CHIP programs:** no further budget obligation to CHIP children. Most are likely to roll to Marketplace or employer coverage. **However, 2 million enrollees will not receive subsidized coverage in Marketplace or will have significant increased cost of dental coverage**
 - Medicaid expansion programs: fall back to Medicaid matching rate, maintenance of effort until 2019

Pediatric Dental: CHIP vs Marketplace

	CHIP	QHP w/ Dental	QHP + Dental
Guaranteed coverage	Yes, as of CHIPRA 2009	Yes	No
Premium	Varies (18 states no premiums)	Max. 9.5% family income ($\leq 400\%$ FPL): due to tax credit	Add dental premium avg. \$30/mo. per child
Cost Sharing	Yes, allowed often set \$ per visit	Yes	Yes
Benefits	Benchmark	Benchmark	Benchmark
Annual/Lifetime Caps	Yes Annual: \$0-\$1,500 Lifetime: \$0-\$5,200	No	No
Out-of-Pocket Max	5% family income	Varies by income 2015 Max: \$13,200 family	Add \$350/child or \$700/2+ kids

Comparison of Cost

Family of 4 at 250% FPL (\$59,000/yr.)

	CHIP	QHP w/ Dental	QHP + Dental
Premium	None	Max \$4,739 (8% w/ subsidy)	Max \$4,739 (8% w/ subsidy) + \$720 (\$30 x 2 x 12 mo.)
Cost Sharing	\$5.00 non-preventive visit	Co-insurance typically 100/80/20	Co-insurance typically 100/80/20
Benefits	Benchmark	Benchmark	Benchmark
Annual/Lifetime Caps	\$1,200/\$5,200	No	No
Out-of-Pocket Max	\$2,950 (includes premium & cost-sharing)	\$12,700 (not including premium)	\$13,400 \$12,700 + \$700 (not including premium)

Recent Action

Previous Congress

- House Bill (H.R. 5634):
 - Congressmen Pallone (D-NJ)
 - Congressman Waxman (D-CA)
- Senate Bill (S. 2461):
 - Senator Rockefeller (D-WV)
- MACPAC Recommendation (June report)
 - Support a 2 year extension



Current Congressional Options

- **Nothing:** CHIP dissolves
- **Extension:** 2-4 year extension of existing program (no changes to the program)

“...[CHIP] fall[s] into the category of things where I think there will be bipartisan support” –Sylvia Burwell, Secretary of HHS

- **Revisions:** make changes to the program and continue funding

Impact on Florida

FL estimates if CHIP ends*:

- **Funding:** Lose \$495,00 - \$560,000 annually in federal funds for KidCare/Healthy Kids
- **Coverage:** Approx. 400,000 children lose CHIP coverage – no estimates for how many would be stuck in the family glitch



*Citation: Alker, Joan. Children's Health Coverage in Florida: Fewer Uninsured But Challenges Lie Ahead. Georgetown University Health Policy Institute, Center for Children and Families. Fall 2014.

Governor's Input to Congress

- Letter from Congress to Governors on July 29, 2014
- Asked for information on CHIP (*demographic info, changes since ACA, benefits & cost sharing, financing & use of funds, and policy recommendations*)
- By November 2014, 39 Governors (not FL) responded and **all** recommended an extension of CHIP
 - 15 asked for funding through 2019
 - 7 asked for funding beyond 2019
 - 35 stated CHIP allotment was sufficient

Press Coverage

- CDHP has joined AAP, First Focus, National Assoc. of Children's Hospitals, Children's Defense Fund and March of Dimes
 - Editorial Boards
 - Florida – *Tampa Bay Times* (Nov. 7)
 - Michigan, Kentucky, Wisconsin
 - Letters to the Editor
 - New York Times
 - Washington Post



Role of OH Coalitions

- **Congressional Delegation:** CHIP funding should be extended
 1. CHIP is essential to millions of working families
 2. CHIP is a sound budgetary decision
 3. Congress must extend funding now
- **Get the word out!** Collect data and stories on CHIP oral health



Questions?

Meg Booth, MPH
mbooth@cdhp.org
202.417.3598

Find us online:
www.cdhp.org
[@Teeth_Matter](#)

