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?