MACPAC

Medicaid and CHIP Payment and Access Commission

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Anne L. Schwartz, PhD, *Executive Director*

TO: Stakeholders

FROM: Anne Schwartz, PhD
Executive Director

DATE: November 12, 2014

RE: Considerations for Ensuring Affordability and Adequacy of Children's Coverage

As part of its ongoing work on the future of the State Children's Health Insurance Program (CHIP), the Medicaid and CHIP Payment and Access Commission (MACPAC) is interested in learning from stakeholders about their views on policies that can help ensure a seamless system of coverage that provides affordable and adequate health care services for children.

In the June 2014 *Report to the Congress*, MACPAC recommended that federal CHIP funding be extended for a transition period of two years, and that during this time, policymakers address issues around affordability and adequacy of children's coverage. This recommendation underlines the importance of maintaining coverage for those currently served by CHIP while undertaking a thoughtful and comprehensive assessment to develop and implement changes in public policy that will ensure adequate and affordable coverage for low-income children and smooth transitions across sources of coverage. The June report also stressed that further extensions of CHIP funding should be considered if more time is needed to ensure that the needed reforms are in place.

As we develop our analyses and future recommendations, we would like to hear from you on the factors affecting how well exchange coverage meets children's health and developmental needs, and any changes that should occur to ensure that such needs are met. In particular, we are interested in any work of your organization to think through the issues below and policy options for addressing them. Please describe the population the policy options target such as the entire CHIP population or a subset of it, all children regardless of income, or some children based on income.

1. Affordability of coverage and out-of-pocket costs, including premiums and cost sharing (e.g., copayments, coinsurance, and deductibles) in exchanges
2. Adequacy of covered benefits in exchanges
3. Adequacy and appropriateness of provider networks for children in exchanges
4. Greatest area(s) of concern with transitions between coverage in Medicaid, CHIP, exchanges, or employer sponsored insurance, and options to safeguard against them

In addition, please share your thoughts on whether any particular children are most vulnerable to experiencing gaps in care or being uninsured if CHIP funding were to end, and who they are.

We look forward to hearing from you and other stakeholders that you work with on these important issues. Please provide your response in writing to Joanne Jee (joanne.jee@macpac.gov) by December 19, 2014.

Cc:
National Academy for State Health Policy
National Association of Medicaid Directors
National Governors Association