



Update on Status of CHIP Funding Renewal



Medicaid and CHIP Payment and Access Commission

Joanne Jee

No new CHIP funds after fiscal year 2017

- In January, MACPAC recommended urgent renewal of CHIP funding:
 - Five-year extension of CHIP funds
 - Extension of maintenance of effort (MOE) and 23 percentage point increase to CHIP matching rate through FY 2022
 - New demonstration grants to test seamless systems of children's coverage
 - Eliminating CHIP waiting periods and premiums for children under 150 percent of the federal poverty level (FPL)
 - Permanent authorization of express lane eligibility (ELE)
 - Five year extension: outreach and enrollment grants, childhood obesity research and demonstration (CORD) grants, and pediatric quality measures program (PQMP)

Without new funds, states will exhaust available CHIP funds soon

- In FY 2018, available CHIP funds include unspent FY 2017 allotments and redistribution funds
- States will exhaust available federal funds at some point in FY 2018
 - July 2017 projections (based on state data as of May): Q1 –4 states; Q2–27 states; Q3–19 states; Q4–1 state
 - Preliminary revised projections (based on state data as of August): some changes to state timelines but all states continue to face shortfalls

States' actions to address CHIP funding shortfalls

- Request redistribution funds
 - Minnesota (\$3.6 million)
 - Arizona (\$21.8 million)
 - Washington (\$10.4 million)
 - California (\$176.9 million)
 - Oregon (\$14.2 million)
- Submit state plan amendments
 - Utah: “eliminate CHIP eligibility and services due to lack of federal funding”
- Challenge: Informing families and stakeholders without causing undue worry
 - Colorado: updates to websites, October 2 press release and FAQs

Congressional action thus far

- House and Senate committees of jurisdiction have approved CHIP funding renewal bills (S. 1827 and H.R. 3921)
- Agreement on CHIP funding renewal policy
 - Five year renewal of CHIP funding
 - Extend MOE through FY 2022 for children under 300% FPL
 - Reduce and eliminate increase to CHIP matching rate after FY 2019
 - Renew contingency fund, qualifying state option, ELE authority, and funding for outreach and enrollment grants, CORD, and PQMP through FY 2022
- Negotiations on offsets are ongoing



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