



Georgetown University
Health Policy Institute
CENTER FOR CHILDREN
AND FAMILIES

Planning for The Future of CHIP



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What changes are on the horizon for CHIP?



Changing Role of CHIP in States



- Moving all separate CHIP kids into Medicaid (CA, NH)
- Arkansas “Private Option”
- Arizona – Preview of how kids will fare without CHIP

What Happens to CHIP Kids if Funding Runs Out?

CHIP-funded children will fall under one of the following scenarios:

- Maintain coverage on Medicaid – state receives lower match/less federal funding
- Fall into “family glitch”– Lose access to affordable coverage altogether
- Move to marketplace coverage with tax credits for families.
- Move to employer-based coverage

CHIP as a Financing Source

- State history and design decisions impact the roles Medicaid and CHIP play (M-CHIP, S-CHIP, combination)
- CHIP often a funding source rather than a program
- In 2013, 66% of CHIP-funded children in separate programs (MACPAC)
- With CHIP to Medicaid “stairstep” transitions, we estimate less than half of CHIP kids will remain in separate programs for 2014

Key questions for future of CHIP

- Why do we need CHIP if we have the exchanges?
- Why don't we cover children with their parents in the exchange?
- Or at a minimum why don't we let parents choose?
- **Is kids coverage better in CHIP or the exchange?**

CHIP Coverage > Marketplaces for Kids



Based on our preliminary analysis:

- CHIP is more affordable for families (in many cases, much more so)
- Pediatric Essential Health Benefits (EHBs) weak (Opportunity to revisit in 2016)