

## PROGRAM DESCRIPTION

**Department: Social Services**

**HB Section(s): 11.800**

**Program Name: Children's Health Insurance Program (CHIP)**

**Program is found in the following core budget(s): Children's Health Insurance Program (CHIP)**

### **1a. What strategic priority does this program address?**

Provide healthcare for children.

### **1b. What does this program do?**

Effective May 1, 2017, Managed Care was geographically extended statewide. All children are mandatorily enrolled in MO HealthNet Managed Care but may opt out and receive their services through fee-for-service under certain circumstances. The Children's Health Insurance Program (CHIP) Title XXI funds are utilized for this expanded MO HealthNet population. Services provided under the CHIP program are reimbursed individually under the fee-for-service program or through a monthly capitation rate paid to the MO HealthNet Managed Care health plans that contract with the state. This integration was made possible through the passage of Senate Bill 632 (1998).

#### **Eligibility requirements are:**

- A child who is under 19 years of age;
- Family income below 300% of the federal poverty level (FPL); and
- No access to other health insurance coverage for less than \$82 to \$204 per month during SFY 2021 based on family size and income.

#### **Program Objectives:**

- Increase the number of children in Missouri who have access to a regular source of health care coverage
- Encourage the use of health care services in appropriate settings
- Ensure adequate supply of providers
- Encourage preventative services for children
- Increase use of Early and Periodic Screening Diagnosis Treatment (EPSDT) services, also know as the Healthy Children and Youth (HCY) program, for children

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### Rate History

See fee-for-service program tabs (physician, dental, rehab, etc.) for relevant rate history.

Most children under CHIP receive health benefits through the MO HealthNet Managed Care health plans. MO HealthNet must maintain capitation rates at a sufficient level to ensure continued health plan and provider participation. Federal Regulation 42 CFR 438-Managed Care and State Authority 208.166, RSMo., require capitation payments made on behalf of managed care participants be actuarially sound.

The following are the prior year CHIP managed care actuarial increases received:

FY 2021 \$5,565,535

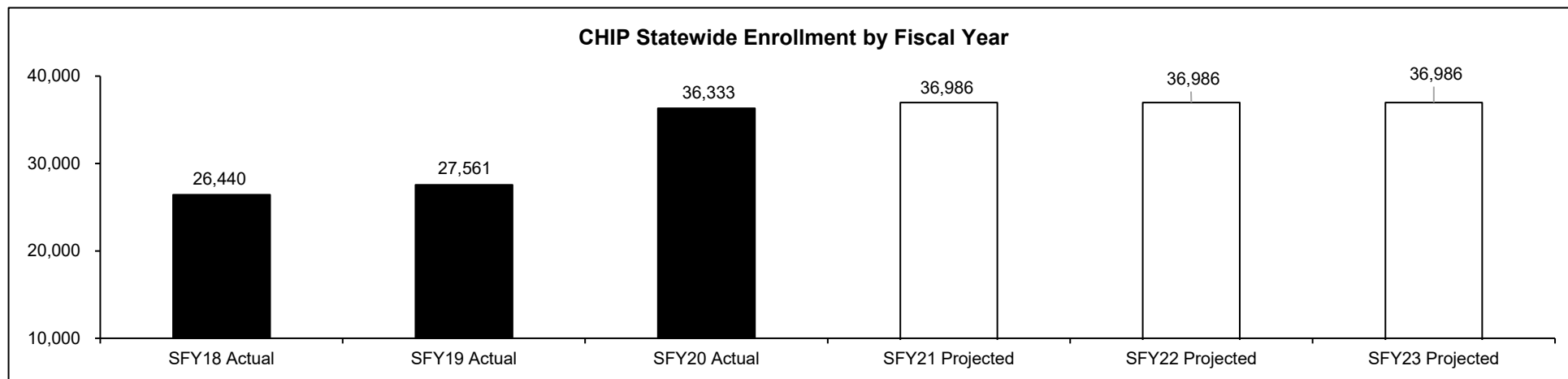
FY 2020 \$7,874,315 (5.6% actuarial increase related to increases in utilization and cost components)

FY 2019 \$0 (A rate increase was not funded in FY 2019)

FY 2018 \$236,298

FY 2017 \$506,848

### 2a. Provide an activity measure(s) for the program.



Note 1: Chart depicts total CHIP enrollment by fiscal year. These children would be uninsured without CHIP coverage.

Note 2: FY21 is showing a 2% increase through Feb. and a 2% decrease in March through June. With the assumption that FY22 and FY23 will remain the same. Future projections are based on eligibility requirements as of 7/1/20

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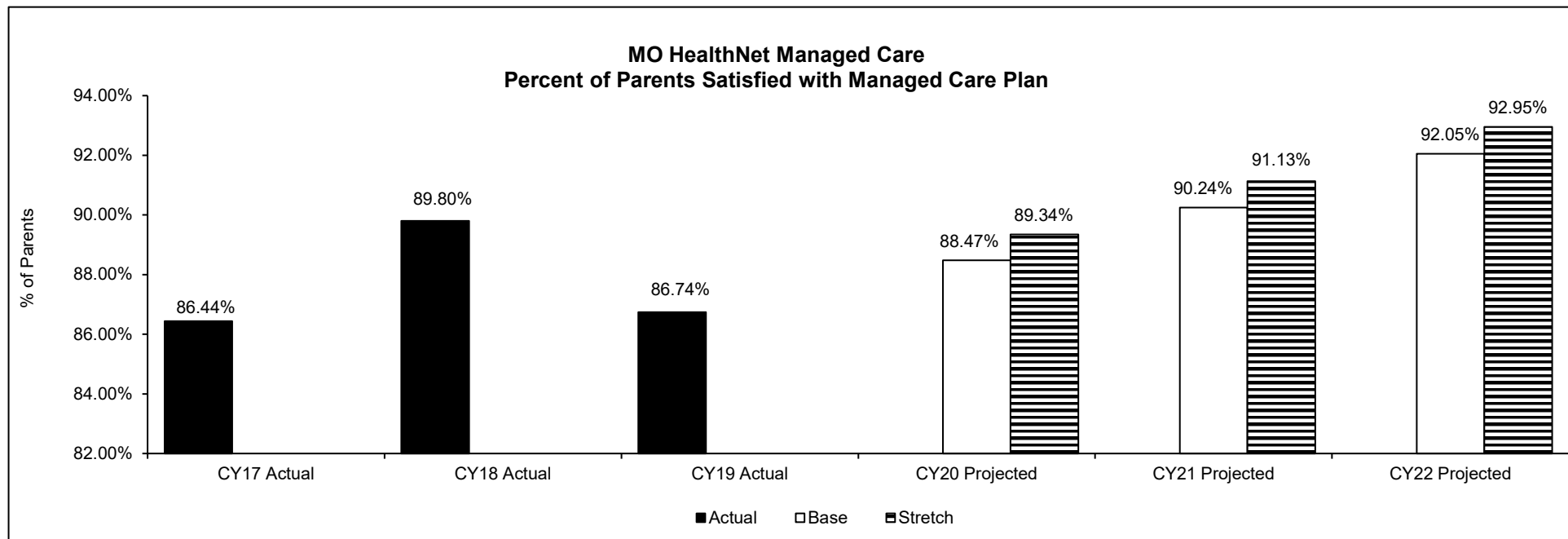
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2b. Provide a measure(s) of the program's quality.



Note 1: Measure evaluates the number of participants indicating 8, 9, or 10 in their satisfaction with the program. Scale is based on 0 to 10 with 0 being the worst care and 10 being the best care possible.

Note 2: Base is a 2% increase from the prior CY Actual. Stretch is a 3% increase from the prior CY Actual.

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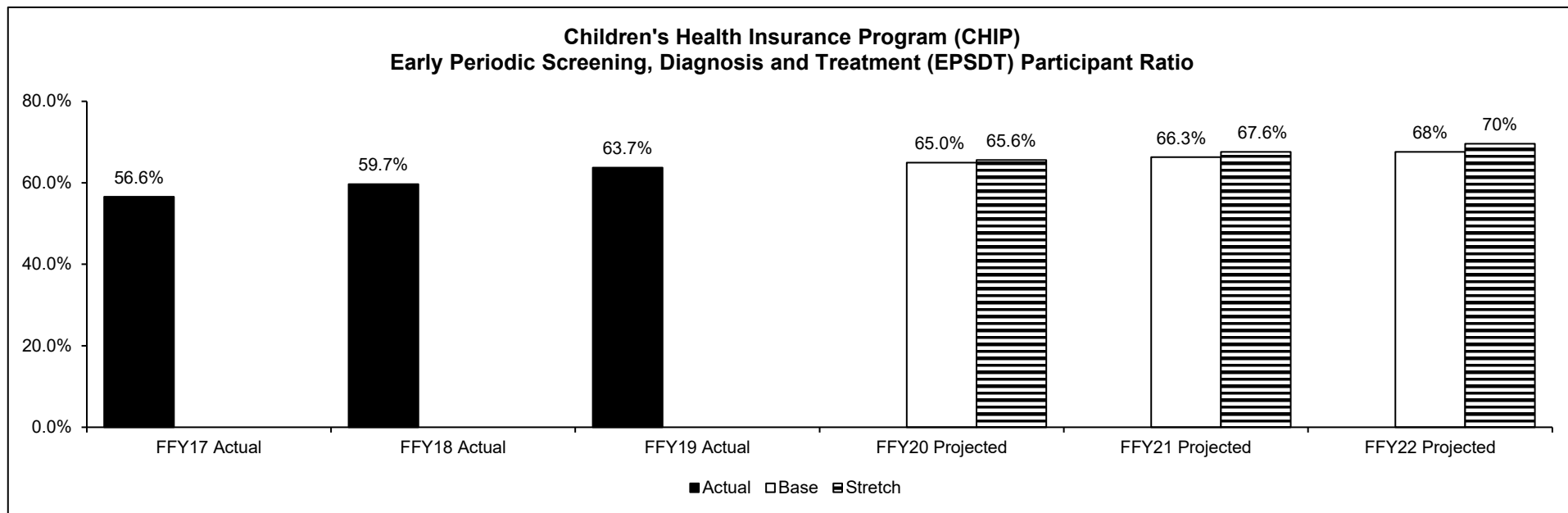
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**2c. Provide a measure(s) of the program's impact.**



Note 1: Chart depicts the percentage of CHIP children who received at least one initial or periodic screening with those that actually did receive the screening.

Note 2: EPSDT is important because regular health and developmental exams keep children healthy and prevent illness and disability. An increased EPSDT ratio would be beneficial in terms of child health outcomes as well as by reducing MO HealthNet costs associated with treating serious preventable conditions over time.

Note 3: Data is reported on a Federal Fiscal Year (FFY) basis to CMS. Base is a 2% increase from the prior FFY Actual.

Note 4: FFY20 data is not available until Fall 2021.

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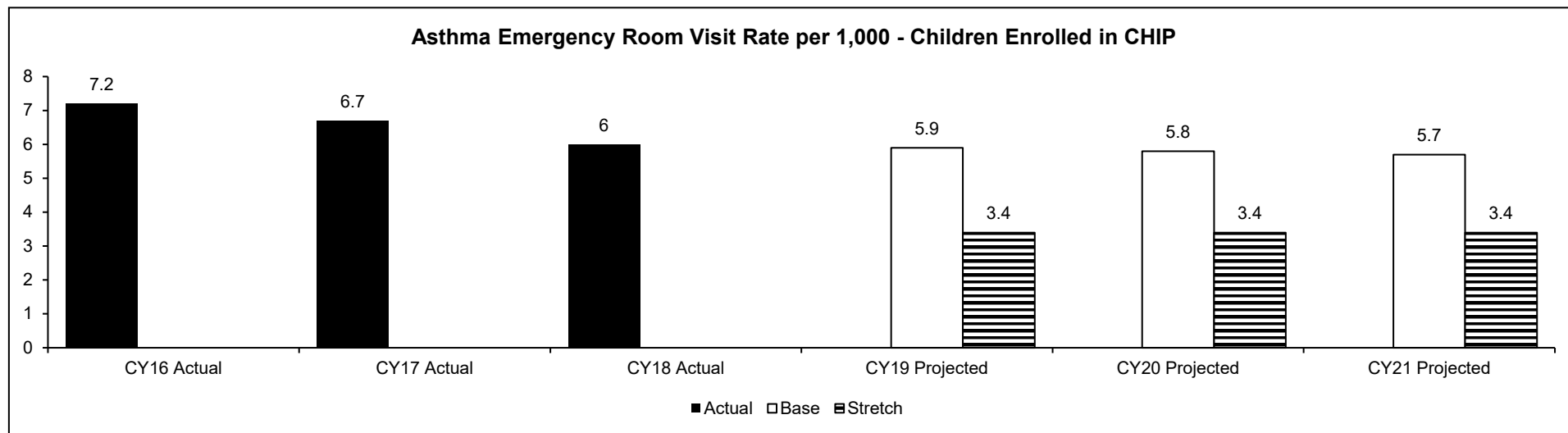
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**2d. Provide a measure(s) of the program's efficiency.**



Note 1: On average, each Emergency Room (ER) visit for asthma costs \$639, compared to only \$87 for a visit to a Primary Care Physician; \$552 is saved for each ER visit avoided.

Note 2: In 2018, there were 256 ER visits for asthma among CHIP participants, leading to \$141,312 a year in costs that could be avoided if a Primary Care visit had taken place instead of an ER visit. Cost savings will be seen as a result of decreases in asthma related ER visit rates among CHIP participants occurs each year.

Note 3: Base is a 2% decrease from the prior CY Actual. Stretch is based on the 2018 Non-Medicaid Rate.

Note 4: There is a 2 year delay in data. CY19 data will be available in Fall of CY21.

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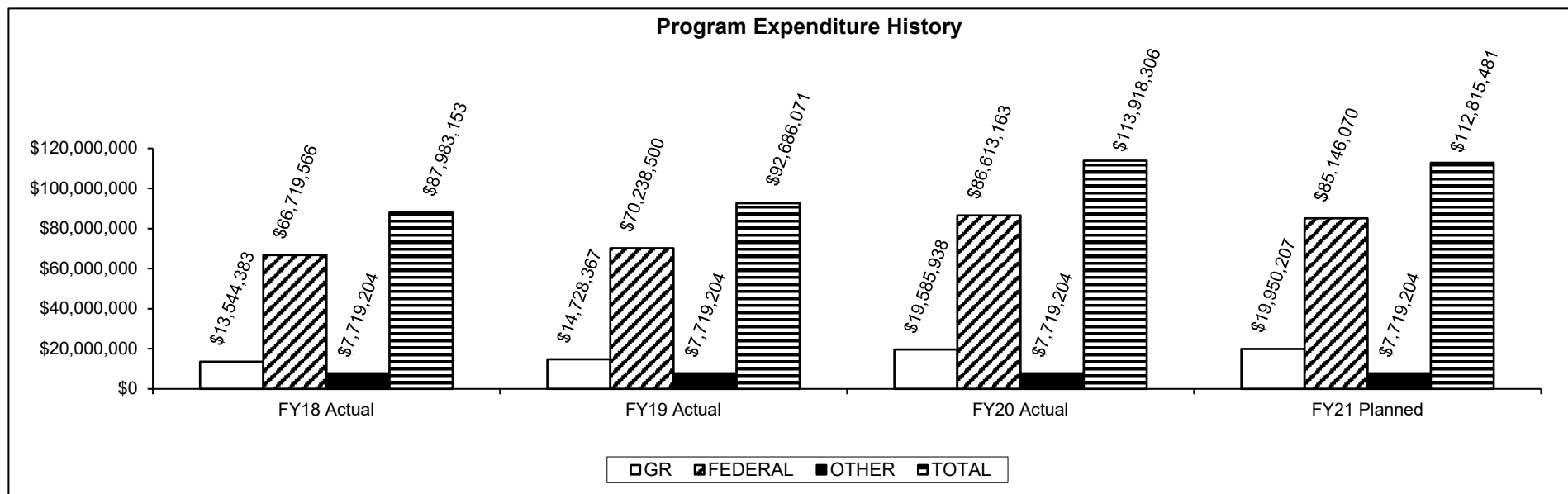
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**3. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year. (Note: Amounts do not include fringe benefit costs.)**



Planned FY2021 expenditures are net of reverted and reserves.

**4. What are the sources of the "Other" funds?**

Federal Reimbursement Allowance Fund (0142)

**5. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)**

State Statute: Sections 208.631 through 208.657, RSMo; Federal Law: Social Security Act, Title XXI; Federal Regulations: 42 CFR 457.

**6. Are there federal matching requirements? If yes, please explain.**

The Bipartisan Budget Act of 2018 (February 2018) continued CHIP funding at the regular enhanced rate through 2027.

**7. Is this a federally mandated program? If yes, please explain.**

No.