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 $88 to $216 per month during SFY 2023 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 known as the Healthy Children and Youth (HCY) program, for children

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 heath 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 2022 $11,194,877
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

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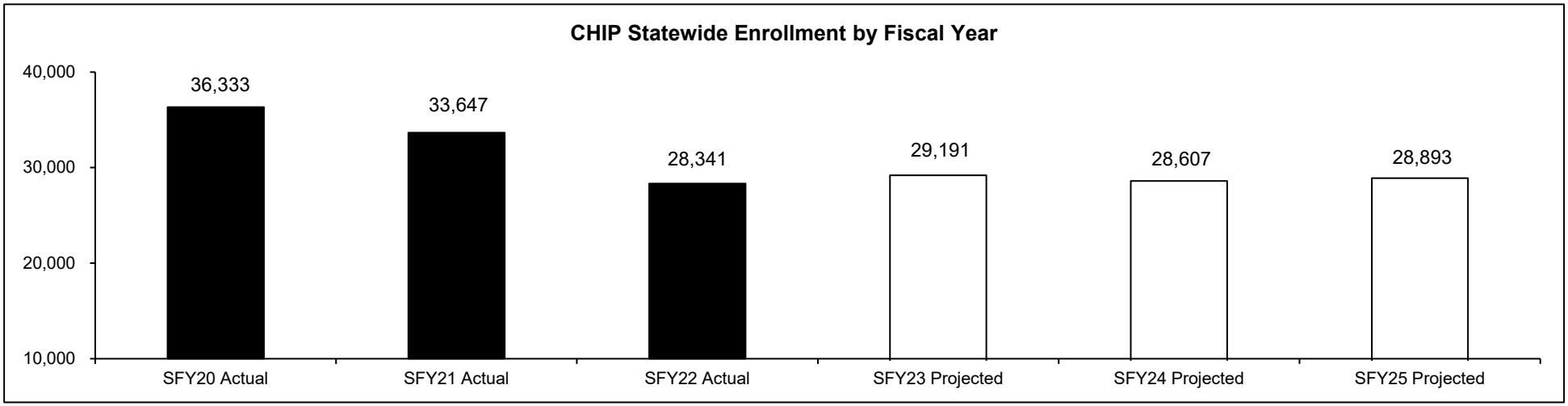
2a. Provide an activity measure(s) for the program.



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

Note 2: FY22 actual shows a 15% decrease from the prior FY due to CHIP eligibility criteria modifications during the Public Health Emergency (PHE) that began in 2019. The CHIP population is projected to start decreasing in SFY24 due to the current projection of the PHE ending in SFY23.

Note 3: Future projections are based on eligibility requirements as of 7/1/2022

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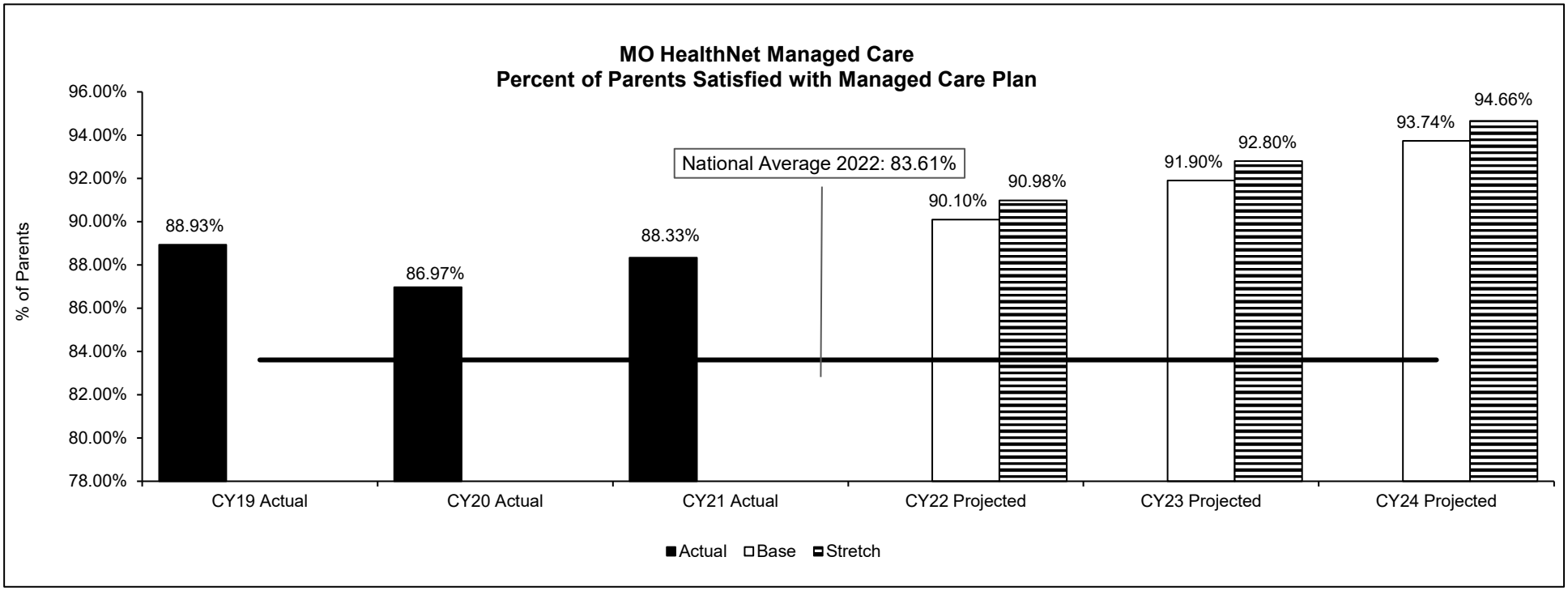
2b. Provide a measure(s) of the program's quality.



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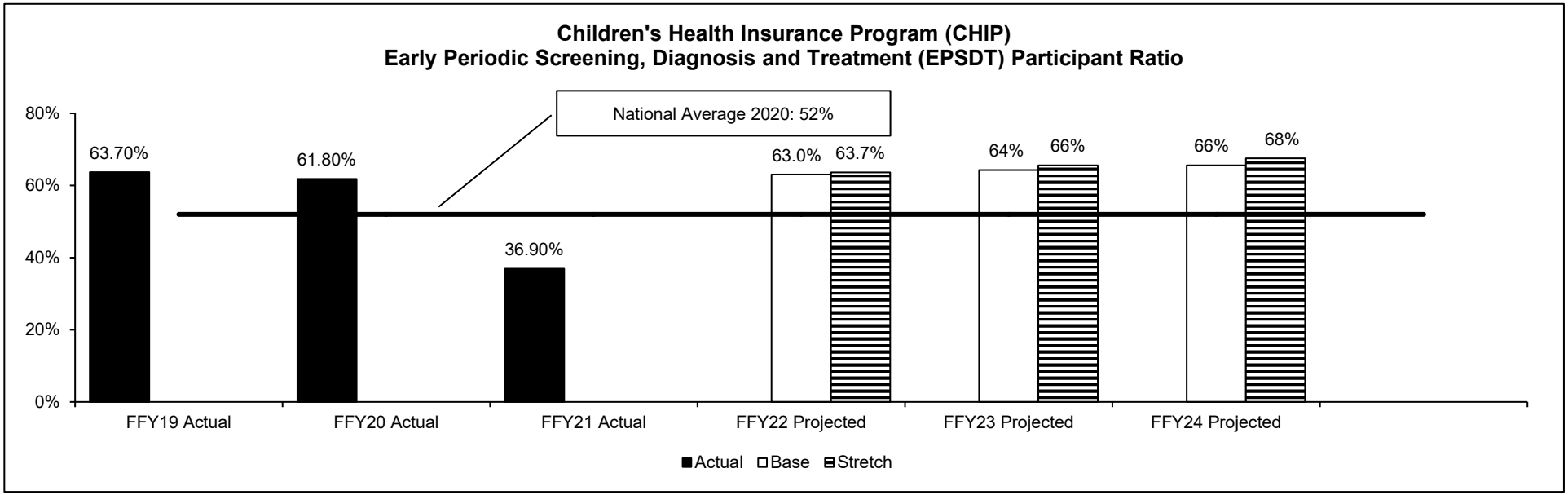
2c. Provide a measure(s) of the program's impact.



Note 1: Chart depicts the percentage of CHIP children who actually did receive at least one initial or periodic screening with those that should have received 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: There is a 40% decrease in EPSDT ratio from FFY20 to FFY21 due to the Public Health Emergency (PHE) that began in 2019. It is anticipated that totals will level back out and begin increasing again once the PHE has ended. The national average in 2019 was 84% and declined 32% to the 52% average in 2020 due to the PHE.

Note 5: MHD went to the Bright Futures periodicity schedule in October 2020, which requires 10 more screenings than the previous periodicity schedule providers were required to follow. There was also a large increase in eligibility.

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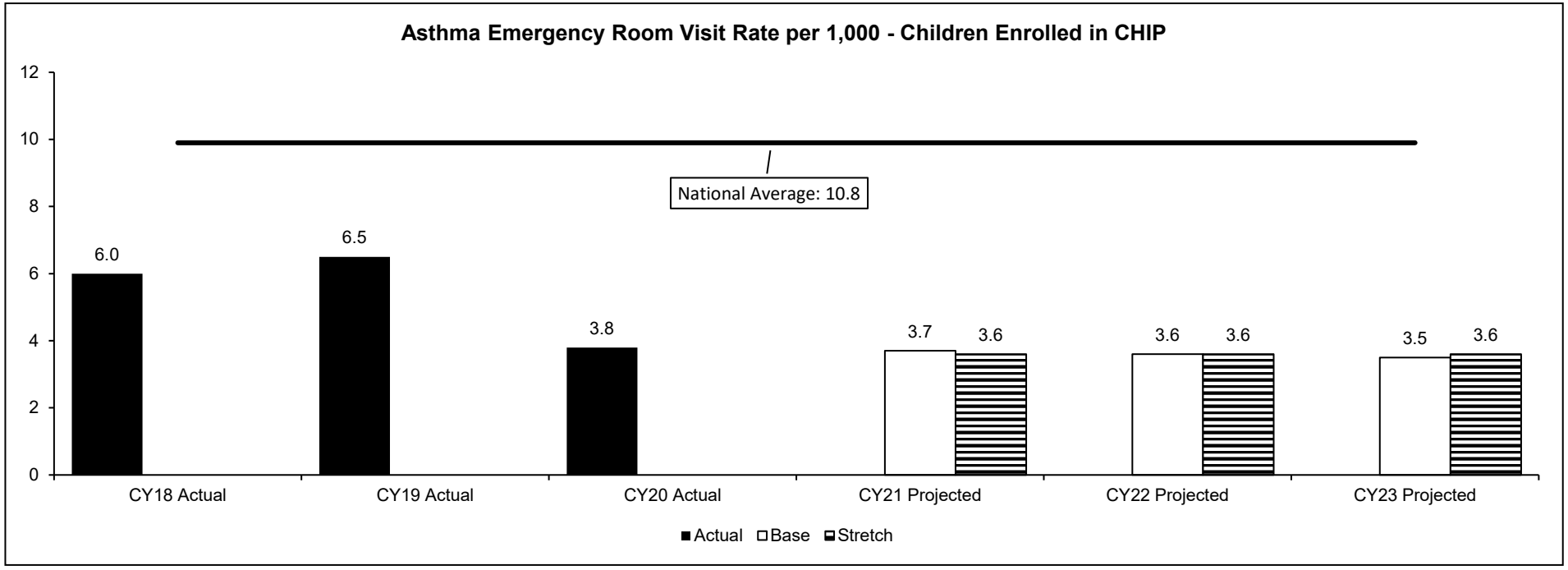
2d. Provide a measure(s) of the program's efficiency.



Note 1: On average, each Emergency Room (ER) visit for asthma costs $707, compared to only $90 for a visit to a Primary Care Physician; $617 is saved for each ER visit avoided.

Note 2: In 2020, there were 162 ER visits for asthma among CHIP participants, leading to $99,954 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 2019 Non-Medicaid Rate.

Note 4: There is a 2 year delay in data. CY21 data will not be available until mid-year of CY23.

Note 5: The above chart shows emergency room visit rates per 1,000 per year.

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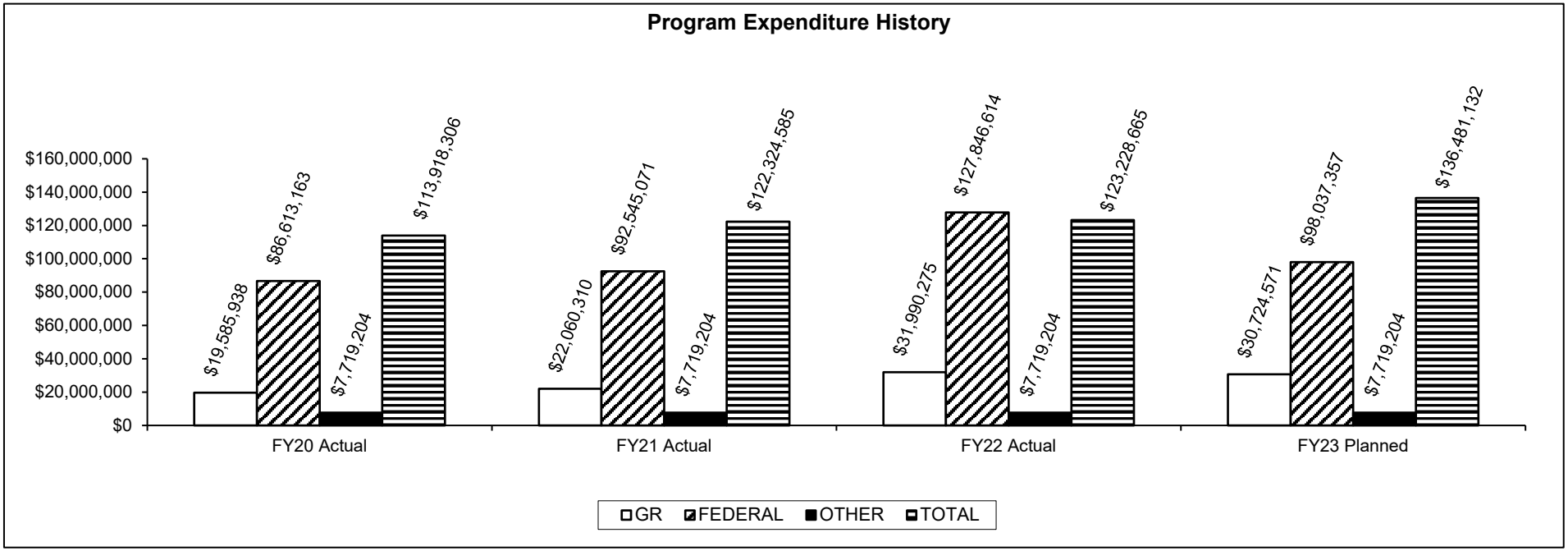
3. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year. (*Note: Amounts do not include fringe benefit costs.)*



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 208.658, 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.