

PROTECTING FUNDING FOR CHIP

What is CHIP?

- ◆ CHIP was created in 1997 by the Clinton Administration to provide health coverage for children in low-income working families who earned too much to qualify for Medicaid but not enough to buy insurance on their own.
- ◆ CHIP offers quality, affordable, pediatric-oriented care for children who otherwise would not have coverage.
- ◆ CHIP is a federal-state partnership. It gives state governors flexibility in administering their CHIP programs, and setting premiums, copayments, etc.
- ◆ The federal government provides, on average, 70% of the funding for state CHIP programs.
- ◆ States must meet certain minimum benefit requirements to take part in CHIP.

Why is CHIP in crisis?

- ◆ The funding for CHIP, the Children's Health Insurance Program, expires September 2015.
- ◆ CHIP is not an entitlement program; its funding has to be renewed by Congress.
- ◆ If it is not renewed, 10.2 million children estimated to be enrolled in CHIP in FY 2015 could be at risk of having their health coverage disrupted.
- ◆ These children would have no other coverage option available to them.
- ◆ Without renewed funding, states will be forced to plan for drastic program cuts.
- ◆ We need to let our Congressional representatives know how important it is for these millions of children that they vote to extend CHIP funding for four more years, through 2019.

Why CHIP matters

- ◆ Between 1997 and 2012, CHIP helped cut in half the uninsured rate for children nationwide.
- ◆ Families have much lower cost-sharing under CHIP rather than with private insurance, **even under Obamacare**.
- ◆ Without CHIP it is estimated that due to the "family glitch" in Obamacare nearly 2 million children could become uninsured.
- ◆ What is the "family glitch"? Self-coverage is much less expensive than family coverage, so an employee is more likely to choose self-coverage over family coverage. This would leave many children without coverage.
- ◆ CHIP benefits are stronger than those offered by private insurance. They are more comprehensive too. They have fewer limits on services.
- ◆ States with CHIP programs are required to provide certain benefits such as immunizations and dental services.

New York State and CHIP

- ◆ In New York State, CHIP is known as Child Health Plus. It is for children from birth to 19 years of age.
- ◆ New York's CHIP program was created in 1990, and served as a blueprint for the federal program.
- ◆ In 2007, New York expanded CHIP to cover all children under 19, including undocumented children.
- ◆ New York offers coverage at the highest income level among all states (405% of the federal poverty level or \$96,592 for a family of four). (The range for states is 133% to 400%.)
- ◆ There are no copayments or deductibles.