

DHS BUDGET REQUEST FOR FY 2016-2017
(\$ Amounts in Thousands)

Page # of Governor's Executive Budget:
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E30.42

APPROPRIATION:
Children's Health Insurance Program

I. SUMMARY FINANCIAL DATA	2014-2015 <u>Actual</u>	2015-2016 <u>Available</u>	2016-2017 <u>Budgeted</u>
State Funds Total	\$76,094	\$13,553	\$6,591
State Sources Itemized			
<i>Children's Health Insurance Program</i>	\$76,094 ¹	\$13,553	\$6,591
Federal Funds Total	\$307,536	\$303,616	\$307,999
Federal Sources Itemized			
<i>Children's Health Insurance Program</i>	\$307,536 ¹	\$303,616	\$307,999
Other Funds Total	\$32,995	\$39,104	\$30,730
Other Fund Sources Itemized			
<i>Cigarette Tax</i>	<u>\$32,995</u> ¹	<u>\$39,104</u>	<u>\$30,730</u>
Total	\$416,625	\$356,273	\$345,320
IA. REQUESTED SUPPLEMENTALS (Included above)			
State Funds		\$0	
Federal Funds		<u>\$0</u>	
Total		\$0	
 ¹ Fiscal Year 2014-2015 allocations were appropriated to the Department of Insurance. Act 10-A of 2015 transferred the Children's Health Insurance Program to the Department of Human Services in Fiscal Year 2015-2016.			

II. DETAIL BY MAJOR OBJECT (\$ Amounts in Thousands)		APPROPRIATION: Children's Health Insurance Program			
	2014-2015 Actual	2015-2016 Available	2016-2017 Budgeted	Change Budgeted vs. Available	Percent Change
PERSONNEL					
State Funds	\$0	\$0	\$0	\$0	0.00%
Federal Funds	\$0	\$0	\$0	\$0	0.00%
Other Funds	\$0	\$0	\$0	\$0	0.00%
Total Personnel	\$0	\$0	\$0	\$0	0.00%
OPERATING					
State Funds	\$0	\$0	\$0	\$0	0.00%
Federal Funds	\$2,084	\$2,629	\$2,817	\$188	7.15%
Other Funds	\$947	\$526	\$338	(\$188)	-35.74%
Total Operating	\$3,031	\$3,155	\$3,155	\$0	0.00%
FIXED ASSETS					
State Funds	\$0	\$0	\$0	\$0	0.00%
Federal Funds	\$0	\$0	\$0	\$0	0.00%
Other Funds	\$0	\$0	\$0	\$0	0.00%
Total Fixed Assets	\$0	\$0	\$0	\$0	0.00%
GRANT & SUBSIDY					
State Funds	\$76,094	\$13,553	\$6,591	(\$6,962)	-51.37%
Federal Funds	\$300,564	\$261,749	\$305,182	\$43,433	16.59%
Other Funds	\$32,048	\$37,206	\$30,392	(\$6,814)	-18.31%
Total Grant & Subsidy	\$408,706	\$312,508	\$342,165	\$29,657	9.49%
NONEXPENSE					
State Funds	\$0	\$0	\$0	\$0	0.00%
Federal Funds	\$0	\$0	\$0	\$0	0.00%
Other Funds	\$0	\$0	\$0	\$0	0.00%
Total Nonexpense	\$0	\$0	\$0	\$0	0.00%
BUDGETARY RESERVE					
State Funds	\$0	\$0	\$0	\$0	0.00%
Federal Funds	\$4,888	\$39,238	\$0	(\$39,238)	-100.00%
Other Funds	\$0	\$1,372	\$0	(\$1,372)	-100.00%
Total Budgetary Reserve	\$4,888	\$40,610	\$0	(\$40,610)	-100.00%
UNCOMMITTED					
State Funds	\$0	\$0	\$0	\$0	0.00%
Federal Funds	\$0	\$0	\$0	\$0	0.00%
Other Funds	\$0	\$0	\$0	\$0	0.00%
Total Uncommitted	\$0	\$0	\$0	\$0	0.00%
OTHER					
State Funds	\$0	\$0	\$0	\$0	0.00%
Federal Funds	\$0	\$0	\$0	\$0	0.00%
Other Funds	\$0	\$0	\$0	\$0	0.00%
Total Other	\$0	\$0	\$0	\$0	0.00%
TOTAL FUNDS					
State Funds	\$76,094	\$13,553	\$6,591	(\$6,962)	-51.37%
Federal Funds	\$307,536	\$303,616	\$307,999	\$4,383	1.44%
Other Funds	\$32,995	\$39,104	\$30,730	(\$8,374)	-21.41%
Total Funds	\$416,625	\$356,273	\$345,320	(\$10,953)	-3.07%

APPROPRIATION:
Children's Health Insurance Program

III. HISTORY OF LAPSES (\$ Amounts in Thousands)	<u>2013-2014</u>	<u>2014-2015</u>	<u>2015-2016 Estimated</u>
State Funds	\$1,607	\$35,000	\$0

IV. COMPLEMENT INFORMATION	<u>12/31/2014</u>	<u>12/31/2015</u>	<u>2016-2017 Budgeted</u>
State/Federally Funded			
<i>Authorized</i>	N/A	N/A	N/A
<i>Filled</i>	N/A	N/A	N/A
Federally Funded			
<i>Authorized</i>	N/A	N/A	N/A
<i>Filled</i>	N/A	N/A	N/A
Other Funded			
<i>Authorized</i>	N/A	N/A	N/A
<i>Filled</i>	N/A	N/A	N/A
Total			
<i>Authorized</i>	N/A	N/A	N/A
<i>Filled</i>	N/A	N/A	N/A
Benefit Rate	N/A	N/A	N/A

V. DERIVATION OF REQUEST / LEGISLATIVE CITATIONS / DISBURSEMENT CRITERIA

Derivation of Request:

Funding projections are derived from actuarial forecasting models developed on the basis of persons estimated to be eligible for the three components of coverage for children and teens up to age 19. The free component covers individuals in families with a net income no greater than 208 percent of the Federal Poverty Level (FPL). The second, low-cost component covers children in families with a net income greater than 208 percent but no greater than 314 percent of the FPL. The third component covers children in households with a net family income greater than 314 percent, in which the families pay the entire monthly premium.

Detail on the appropriation is outlined in Section VI entitled "Explanation of Changes" on the next page.

Legislative Citations:

Article XXIII-A of the Insurance Company Law of 1921 (Act 2015-84)

Disbursement Criteria:

These appropriations fund the claims operations of the Children's Health Insurance Program (CHIP), which is administered by contracted insurance companies to provide Managed Care coverage to children. Disbursements are made based on invoices submitted for operating expenses for outreach costs and benefit claims to contractors.

VI. EXPLANATION OF CHANGES (\$ Amounts in Thousands)	APPROPRIATION: Children's Health Insurance Program			
	State \$	Federal \$	Other \$	Total
OPERATING				
1. Impact of the change in the enhanced Federal Medical Assistance Percentage (a decrease from 89.41 percent to 89.25 percent, effective October 1, 2016):	\$0	\$188	(\$188)	\$0
GRANT & SUBSIDY				
1. Monthly Payments for the Free Component				
A. Provides for an average monthly increase of 3,949 children during Fiscal Year 2016-2017 from 108,765 to 112,714:	\$1,446	\$7,520	\$0	\$8,966
B. Provides for an increase in the average monthly cost per user of \$10.68, from \$189.15 in Fiscal Year 2015-2016 to \$199.83 in Fiscal Year 2016-2017:	\$2,070	\$12,388	\$0	\$14,458
2. Monthly Subsidized Payments for Children from 208 to 262 Percent of the Federal Poverty Income Guidelines (FPIG)				
A. Provides for an average monthly increase of 1,494 children during Fiscal Year 2016-2017 from 26,030 to 27,524:	\$426	\$2,212	\$0	\$2,638
B. Provides for an increase in the average monthly cost per user of \$7.83, from \$147.12 in Fiscal Year 2015-2016 to \$154.95 in Fiscal Year 2016-2017:	\$374	\$2,220	\$0	\$2,594
3. Monthly Subsidized Payments for Children from 262 to 288 Percent of the FPIG				
A. Provides for an average monthly increase of 931 children during Fiscal Year 2016-2017 from 6,853 to 7,784:	\$228	\$1,200	\$0	\$1,428
B. Provides for an increase in the average monthly cost per user of \$6.74, from \$127.73 in Fiscal Year 2015-2016 to \$134.47 in Fiscal Year 2016-2017:	\$95	\$538	\$0	\$633
4. Monthly Subsidized Payments for Children from 288 to 314 Percent of the FPIG				
A. Provides for an average monthly decrease of 47 children during Fiscal Year 2016-2017 from 4,915 to 4,868:	(\$11)	(\$55)	\$0	(\$66)
B. Provides for an increase in the average monthly cost per user of \$6.24, from \$117.14 in Fiscal Year 2015-2016 to \$123.38 in Fiscal Year 2016-2017:	\$45	\$321	\$0	\$366

VI. EXPLANATION OF CHANGES

(\$ Amounts in Thousands)

APPROPRIATION:

Children's Health Insurance Program

	<u>State \$</u>	<u>Federal \$</u>	<u>Other \$</u>	<u>Total</u>
5. Reflects a decrease in payments for the Federally Qualified Health Centers/Rural Health Clinics prospective payment system and dental benefits. This will now be included in the per member per month rates:	(\$701)	(\$1,500)	\$0	(\$2,201)
6. Impact of the change in the enhanced Federal Medical Assistance Percentage (a decrease from 89.41 percent to 89.25 percent, effective October 1, 2016). Full-year blended rate increases from 83.625 percent to 89.29 percent due to the annualization of the 23 percent increase effective October 1, 2015:	(\$18,589)	\$18,589	\$0	\$0
7. The Fiscal Year 2016-2017 Governor's Executive Budget recommends that \$30.730 million be allocated from the Cigarette Tax to provide supplemental funding to the CHIP appropriation, a decrease of \$7.002 million from the Fiscal Year 2015-2016 amount:	<u>\$6,814</u>	<u>\$0</u>	<u>(\$6,814)</u>	<u>\$0</u>
Subtotal Grant & Subsidy	(\$7,803)	\$43,433	(\$6,814)	\$28,816
BUDGETARY RESERVE				
1. Reflects excess spending authority in Fiscal Year 2015-2016:	<u>\$0</u>	<u>(\$39,238)</u>	<u>(\$1,372)</u>	<u>(\$40,610)</u>
FISCAL YEAR 2016-2017 INITIATIVES				
1. Express Lane Eligibility:				
A. Provides funding to support a strategy that uses income and household information gathered through the eligibility process from other child-serving, means-tested programs to confer eligibility for Medicaid or CHIP for uninsured children:	<u>\$841</u>	<u>\$0</u>	<u>\$0</u>	<u>\$841</u>
Operating Total	\$0	\$188	(\$188)	\$0
Grant & Subsidy Total	(\$6,962)	\$43,433	(\$6,814)	\$29,657
Budgetary Reserve Total	<u>\$0</u>	<u>(\$39,238)</u>	<u>(\$1,372)</u>	<u>(\$40,610)</u>
GRAND TOTAL	<u>(\$6,962)</u>	<u>\$4,383</u>	<u>(\$8,374)</u>	<u>(\$10,953)</u>

Children's Health Insurance Program
Fiscal Year 2016-2017 Governor's Executive Budget
Fiscal Year 2015-2016

Month of Payment	Total	Federal	State	Total Enrollment	Average Per Capita
<u>Free Component</u>					
July 2015	\$20,095,606	\$13,317,358	\$6,778,248	107,414	\$187.09
August	\$19,429,753	\$12,876,097	\$6,553,656	107,517	\$180.71
September	\$19,577,508	\$12,974,015	\$6,603,493	107,671	\$181.83
October	\$20,052,733	\$17,929,148	\$2,123,584	107,498	\$186.54
November	\$19,715,187	\$17,627,349	\$2,087,838	108,241	\$182.14
December	\$20,960,610	\$18,740,882	\$2,219,729	108,566	\$193.07
January 2016	\$21,023,492	\$18,797,104	\$2,226,388	108,891	\$193.07
February	\$21,086,563	\$18,853,496	\$2,233,067	109,218	\$193.07
March	\$21,149,822	\$18,910,056	\$2,239,766	109,546	\$193.07
April	\$21,213,272	\$18,966,786	\$2,246,485	109,874	\$193.07
May	\$21,276,912	\$19,023,687	\$2,253,225	110,204	\$193.07
June	\$21,340,742	\$19,080,758	\$2,259,985	110,535	\$193.07
Subtotal Free Component	\$246,922,201	\$207,096,736	\$39,825,465	108,765	\$189.15
<u>Subsidized - 208-262%</u>					
July 2015	\$3,676,227	\$2,436,236	\$1,239,991	25,505	\$144.14
August	\$3,682,340	\$2,440,287	\$1,242,053	25,494	\$144.44
September	\$3,682,615	\$2,440,469	\$1,242,146	25,536	\$144.21
October	\$3,691,455	\$3,300,530	\$390,925	25,734	\$143.45
November	\$3,648,632	\$3,262,242	\$386,390	25,832	\$141.24
December	\$3,885,599	\$3,474,114	\$411,485	25,953	\$149.71
January 2016	\$3,903,862	\$3,490,443	\$413,419	26,075	\$149.71
February	\$3,922,210	\$3,506,848	\$415,362	26,198	\$149.71
March	\$3,940,644	\$3,523,330	\$417,314	26,321	\$149.71
April	\$3,959,165	\$3,539,890	\$419,276	26,445	\$149.71
May	\$3,977,773	\$3,556,527	\$421,246	26,569	\$149.71
June	\$3,996,469	\$3,573,243	\$423,226	26,694	\$149.71
Subtotal Subsidized - 208-262%	\$45,966,991	\$38,544,157	\$7,422,834	26,030	\$147.12
<u>Subsidized - 262-288%</u>					
July 2015	\$803,758	\$532,650	\$271,108	6,447	\$124.67
August	\$817,747	\$541,921	\$275,826	6,523	\$125.36
September	\$820,001	\$543,415	\$276,586	6,553	\$125.13
October	\$836,612	\$748,015	\$88,597	6,663	\$125.56
November	\$827,593	\$739,951	\$87,642	6,752	\$122.57
December	\$886,494	\$792,615	\$93,880	6,823	\$129.92
January 2016	\$895,838	\$800,969	\$94,869	6,895	\$129.92
February	\$905,280	\$809,411	\$95,869	6,968	\$129.92
March	\$914,822	\$817,942	\$96,880	7,041	\$129.92
April	\$924,464	\$826,563	\$97,901	7,115	\$129.92
May	\$934,208	\$835,275	\$98,933	7,190	\$129.92
June	\$944,054	\$844,079	\$99,975	7,266	\$129.92
Subtotal Subsidized - 262-288%	\$10,510,872	\$8,832,806	\$1,678,066	6,853	\$127.73

Children's Health Insurance Program
Fiscal Year 2016-2017 Governor's Executive Budget
Fiscal Year 2015-2016

Month of Payment	Total	Federal	State	Total Enrollment	Average Per Capita
<u>Subsidized - 288-314%</u>					
July 2015	\$572,526	\$379,413	\$193,113	5,004	\$114.41
August	\$585,761	\$388,184	\$197,577	5,067	\$115.60
September	\$571,766	\$378,910	\$192,857	5,009	\$114.15
October	\$567,471	\$507,376	\$60,095	4,951	\$114.62
November	\$547,459	\$489,483	\$57,976	4,868	\$112.46
December	\$580,303	\$518,849	\$61,454	4,868	\$119.21
January 2016	\$580,303	\$518,849	\$61,454	4,868	\$119.21
February	\$580,303	\$518,849	\$61,454	4,868	\$119.21
March	\$580,303	\$518,849	\$61,454	4,868	\$119.21
April	\$580,303	\$518,849	\$61,454	4,868	\$119.21
May	\$580,303	\$518,849	\$61,454	4,868	\$119.21
June	\$580,303	\$518,849	\$61,454	4,868	\$119.21
Subtotal Subsidized - 288-314%	\$6,907,102	\$5,775,306	\$1,131,796	4,915	\$117.14
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TOTAL PREMIUM PAYMENTS	\$310,307,166	\$260,249,005	\$50,058,161		
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Federally Qualified Health Centers/Rural Health Clinics Prospective Payment System & Dental Benefits	\$2,200,834	\$1,499,995	\$700,839		
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<u>OPERATING</u>					
Outreach	\$3,155,000	\$2,629,000	\$526,000		
Uncommitted	\$39,238,000	\$39,238,000	\$0		
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FY 2015-2016 Cash Requirement	\$354,901,000	\$303,616,000	\$51,285,000		
Cigarette Tax	\$37,732,000	\$0	\$37,732,000		
Total FY 2015-2016 Program Requirement	\$317,169,000	\$303,616,000	\$13,553,000		
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Act 10-A of 2015 Surplus/(Deficit)		\$303,616,000	\$13,553,000		
		\$0	\$0		

Children's Health Insurance Program
Fiscal Year 2016-2017 Governor's Executive Budget
Fiscal Year 2016-2017

Month of Payment	Total	Federal	State	Total Enrollment	Average Per Capita
<u>Free Component</u>					
July 2016	\$21,404,765	\$19,138,000	\$2,266,765	110,866	\$193.07
August	\$21,468,979	\$19,195,414	\$2,273,565	111,199	\$193.07
September	\$21,533,386	\$19,253,000	\$2,280,386	111,532	\$193.07
October	\$21,597,986	\$19,276,203	\$2,321,784	111,867	\$193.07
November	\$21,662,780	\$19,334,031	\$2,328,749	112,203	\$193.07
December	\$23,031,434	\$20,975,978	\$2,055,456	112,539	\$204.65
January 2017	\$23,100,529	\$20,617,222	\$2,483,307	112,877	\$204.65
February	\$23,169,830	\$20,679,074	\$2,490,757	113,215	\$204.65
March	\$23,239,340	\$20,741,111	\$2,498,229	113,555	\$204.65
April	\$23,309,058	\$20,803,334	\$2,505,724	113,896	\$204.65
May	\$23,378,985	\$20,865,744	\$2,513,241	114,237	\$204.65
June	\$23,449,122	\$20,928,341	\$2,520,781	114,580	\$204.65
Subtotal Free Component	\$270,346,194	\$241,807,453	\$28,538,741	112,714	\$199.83
<u>Subsidized - 208-262%</u>					
July 2016	\$4,015,252	\$3,590,037	\$425,215	26,819	\$149.71
August	\$4,034,124	\$3,606,910	\$427,214	26,945	\$149.71
September	\$4,053,084	\$3,623,863	\$429,222	27,072	\$149.71
October	\$4,072,134	\$3,634,379	\$437,754	27,199	\$149.71
November	\$4,091,273	\$3,651,461	\$439,812	27,327	\$149.71
December	\$4,357,132	\$3,888,740	\$468,392	27,456	\$158.70
January 2017	\$4,377,610	\$3,907,017	\$470,593	27,585	\$158.70
February	\$4,398,185	\$3,925,380	\$472,805	27,714	\$158.70
March	\$4,418,857	\$3,943,830	\$475,027	27,845	\$158.70
April	\$4,439,625	\$3,962,366	\$477,260	27,975	\$158.70
May	\$4,460,491	\$3,980,989	\$479,503	28,107	\$158.70
June	\$4,481,456	\$3,999,699	\$481,756	28,239	\$158.70
Subtotal Subsidized - 208-262%	\$51,199,223	\$45,714,671	\$5,484,553	27,524	\$154.95
<u>Subsidized - 262-288%</u>					
July 2016	\$954,005	\$852,976	\$101,029	7,343	\$129.92
August	\$964,060	\$861,966	\$102,094	7,420	\$129.92
September	\$974,221	\$871,051	\$103,170	7,498	\$129.92
October	\$984,489	\$878,657	\$105,833	7,577	\$129.92
November	\$994,866	\$887,918	\$106,948	7,657	\$129.92
December	\$1,065,673	\$951,113	\$114,560	7,738	\$137.72
January 2017	\$1,076,905	\$961,138	\$115,767	7,820	\$137.72
February	\$1,088,256	\$971,268	\$116,987	7,902	\$137.72
March	\$1,099,726	\$981,505	\$118,221	7,985	\$137.72
April	\$1,111,317	\$991,851	\$119,467	8,069	\$137.72
May	\$1,123,030	\$1,002,305	\$120,726	8,154	\$137.72
June	\$1,134,867	\$1,012,869	\$121,998	8,240	\$137.72
Subtotal Subsidized - 262-288%	\$12,571,416	\$11,224,617	\$1,346,800	7,784	\$134.47

Children's Health Insurance Program
Fiscal Year 2016-2017 Governor's Executive Budget
Fiscal Year 2016-2017

Month of Payment	Total	Federal	State	Total Enrollment	Average Per Capita
<u>Subsidized - 288-314%</u>					
July 2016	\$580,303	\$518,849	\$61,454	4,868	\$119.21
August	\$580,303	\$518,849	\$61,454	4,868	\$119.21
September	\$580,303	\$518,849	\$61,454	4,868	\$119.21
October	\$580,303	\$517,920	\$62,383	4,868	\$119.21
November	\$580,303	\$517,920	\$62,383	4,868	\$119.21
December	\$615,121	\$548,995	\$66,125	4,868	\$126.36
January 2017	\$615,121	\$548,995	\$66,125	4,868	\$126.36
February	\$615,121	\$548,995	\$66,125	4,868	\$126.36
March	\$615,121	\$548,995	\$66,125	4,868	\$126.36
April	\$615,121	\$548,995	\$66,125	4,868	\$126.36
May	\$615,121	\$548,995	\$66,125	4,868	\$126.36
June	\$615,121	\$548,995	\$66,125	4,868	\$126.36
Subtotal Subsidized - 288-314%	\$7,207,358	\$6,435,353	\$772,006	4,868	\$123.38
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TOTAL PREMIUM PAYMENTS	\$341,324,191	\$305,182,092	\$36,142,099		
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<u>OPERATING</u>					
Outreach	\$3,155,000	\$2,817,100	\$337,901		
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<u>FISCAL YEAR 2016-2017 INITIATIVES/PRRs</u>					
Initiative--Express Lane Eligibility	\$841,000	\$0	\$841,000		
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FY 2016-2017 Cash Requirement	\$345,320,191	\$307,999,192	\$37,321,000		
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Cigarette Tax	\$30,730,000	\$0	\$30,730,000		
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Total FY 2016-2017 Program Requirement	\$314,590,191	\$307,999,192	\$6,591,000		

CHILDREN'S HEALTH INSURANCE PROGRAM

Pennsylvania's Children's Health Insurance Program (CHIP) is acknowledged as a national model, receiving specific recognition in the Federal Balanced Budget Act of 1997 as one of only three child health insurance programs that met congressional specifications. In early 2007, Pennsylvania received approval from the federal government to expand eligibility for CHIP as part of the "Cover All Kids" initiative, and in March 2007 the new eligibility guidelines were implemented.

In 2016-2017, CHIP anticipates enrolling an average of 152,890 children, an increase of approximately 6,327 children over 2015-2016, at a total cost of \$345 million in state and federal funds. CHIP will continue to coordinate applications for children who may be eligible for Medical Assistance (MA) through the health care handshake process. These activities will be achieved through outreach efforts, the automated transfer of applicants between CHIP and MA, and the Federally Facilitated Marketplace (FFM), and the opportunity for qualifying families to purchase full cost or subsidized health care coverage at the amount negotiated by the commonwealth. Income limits were changed so that previously eligible CHIP children are now eligible for Medical Assistance. Governor Wolf and Insurance Commissioner Miller partnered with insurers to find solutions that guaranteed the full cost CHIP program meets minimum essential coverage requirements set by the federal government.

The continued implementation of the Affordable Care Act (ACA) imposes significant modification to CHIP's operations. The ACA changed the calculation of eligibility income and household composition, and increased requirements to streamline eligibility determinations and improve information security. Per the ACA, the commonwealth must now accept and process applications coming from the FFM and incorporate data available from the Federal Data Services Hub. The new requirements necessitate sizable enhancements to the CHIP Application Processing System (CAPS) as well as modification of the interaction of CAPS with other systems operated by DHS. The multitude of changes substantiates the need for centralization of eligibility to provide quality assurance services and ensure proper eligibility determinations at initial intake and at redetermination. The continued efforts to centralize eligibility tasks will improve program integrity, reduce fraud, waste, and abuse, and simplify the application process by reducing the need for verification information from applicants.

PROGRAM COMPONENTS

CHIP has three components that cover children and teens up to age 19 with identical, comprehensive benefits.

- The free component covers children in families with a net household income no greater than 208% of federal poverty guidelines. Federal financial participation (FFP) is received toward the cost of this coverage. There are no premiums and no co-payments collected for enrollees in this group.
- The low-cost component covers children in families with a net income greater than 208% but no greater than 314% of the federal poverty guidelines. FFP is received toward the cost of this low-cost coverage. The parent or guardian is required to pay a modest monthly premium on a sliding scale based upon household income and is responsible for modest co-payments on certain services and prescriptions. Enrollment in low-cost CHIP is divided into three increments with progressively increasing premiums.
- The full-cost component covers children in households with a net family income greater than 314% of the federal poverty guidelines. The families pay the entire monthly premium, as negotiated by the state. There is no state or federal financial participation. This expanded group pays an average of approximately \$217 per child per month for the premium. Comparable insurance must either be unavailable or unaffordable for a child to qualify.

FISCAL YEAR 2016-2017 INITIATIVE – EXPRESS LANE ELIGIBILITY

The Fiscal Year 2016-2017 “Express Lane Eligibility” initiative will improve the ability of the department to rapidly confer eligibility for either Medicaid or CHIP for uninsured children. Uninsured eligible children will be enrolled into Medicaid or the Children’s Health Insurance Program (CHIP) using current eligibility information available from non-health care benefits, including SNAP and child care subsidy. This program is intended to positively affect health care outcomes for children and lower health care costs throughout the state.