



CHIP Hip Hooray! A State Reform Success Story

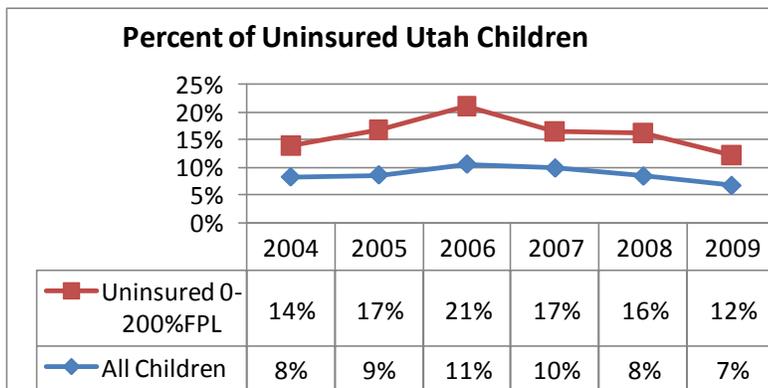
Allocate \$3.9 million in FY2013

A Utah Health Policy Project Issue Brief

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SUMMARY

Utah's children have been reaping some reward from state health reform. Early in the state reform process, lawmakers made the wise decision to keep CHIP open for children. *As a result, the state has seen a 33% decline in uninsured kids since 2006.* This decision took some of the sting out of the recent economic hardships experienced by working Utah families..



Source: Utah Department of Health, 2005-2010.

In the private insurance market, employer based coverage has been significantly declining for adults as well as children: in 2008-09 the number of Utah children covered by employer-based coverage fell by 5.5% (compared to 3.5% in the U.S.) and individual market coverage of kids fell by 2.6% (compared to 0.1% decline for U.S. kids). CHIP is critical to filling the gap for these children. It is for this reason that CHIP should be fully funded in order to protect these children. Starting in 2015, states will have the option to enroll CHIP-eligible kids in private market plans with similar benefits and cost sharing. In the meantime, CHIP is the most cost-effective way to cover uninsured kids in Utah.

Building on Success of State Health Reform

Utah's CHIP/Medicaid participation rate was much lower (76.1%) than the U.S. average (84.8%) and Utah still has higher uninsured rates for children than the national average. Uninsured children are more likely to skip routine preventive care and to show up for high cost care in the emergency room. Uninsured kids miss more school, and parents miss work to care for them. If we want low-income working families to escape poverty, we will continue to improve and fund CHIP to ensure affordable coverage for kids.

Sources: Kaiser Family Foundation, statehealthfacts.org

http://ccf.georgetown.edu/index/cms-filesystem-action?file=ccf_publications/uninsured/acs_brief.pdf
http://www.health.utah.gov/medicaid/pdfs/annual_report2011.pdf

The Utah Health Policy Project is a non-partisan 501-C-3 nonprofit organization.

FREQUENTLY ASKED QUESTIONS

Who is eligible for CHIP?

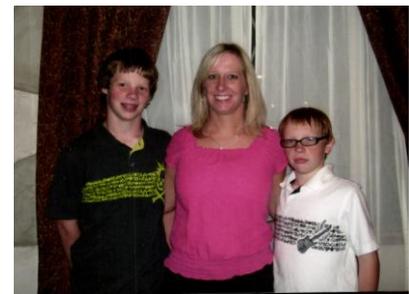
To qualify for CHIP a child must be under age 19, uninsured, a legal resident and living below 200% of the poverty level (\$44,700 for a family of 4). In state fiscal year 2010, the program had an average monthly enrollment of 38,903. (Utah DOH annual report)

What benefits do kids receive?

CHIP benefits are actuarially equivalent to the benefits provided in the commercial plan with the largest enrollment: SelectHealth's small business plan. Families have to pay a sliding scale premium for enrollment in CHIP along with co-payments.

How is CHIP funded?

For every \$1 covered by the state, the federal government contributes \$4 more. Since 2001, the state has generally uses Tobacco Settlement funds with a small amount from the general fund to cover its portion of CHIP costs.



"As a mother and a medical assistant, I think all children should have coverage. Having CHIP is a big relief for me and my family"

-S.N.