

## **SCHIP Reauthorized as CHIP, Expanded Coverage**

President Obama signed the Children's Health Insurance Program Reauthorization Act of 2009 (CHIPRA) on February 4, 2009. The Act extends and expands the State Children's Health Insurance Program (now referred to as CHIP, not SCHIP). Coverage will expand with the aid of \$33 billion over the next four and one half years, financed by a 62 cent increase in the tax on a pack of cigarettes as well as other tobacco excise taxes. The new law will provide coverage for an estimated additional 4.1 million children nationally.

CHIP is a program that provides health insurance coverage for low-income children who are ineligible for Medicaid. In New York, CHIP funds the Child Health Plus program. Under CHIP, state spending is matched at a better ratio than the state Medicaid match. However, because CHIP is not an entitlement program, it is possible for states to run out of CHIP funds.

### **Reimbursement**

New York State will receive the CHIP match rate to cover children with family incomes up to 400% of the Federal Poverty Level. New York began covering children up to this level in September using only state funds.

### **Immigrants**

CHIPRA provides new opportunities for states to grant CHIP and Medicaid coverage to legal immigrant children and pregnant women. Previously, CHIP coverage did not extend to legal immigrants during the five-year period after arriving in the United States. New York extended Child Health Plus to children in this category using only state funds, but can now receive the CHIP match.

### **Dental and Mental Health Benefits**

Under CHIPRA, states are now required to include dental coverage in their CHIP plans. New York's Child Health Plus program has always covered this benefit, but can now opt into a new provision that allows states to provide wrap around dental coverage. If New York participates in this option, dental coverage would be available to children who would qualify for CHIP coverage, but are enrolled in private health insurance plans that do not include dental coverage.

CHIPRA also requires mental health parity in coverage if the state decides to include mental health coverage in its CHIP plan. New York does provide mental health benefits in Child Health Plus, but the current law has not required them to comply with the state's parity law that now applies to private health insurance. The state will need to determine the best way to comply with the parity portion of the new law.

**Enrollment**

Included in CHIPRA are many measures to facilitate enrollment in Child Health Plus and Medicaid. States are now allowed the option of fulfilling documentation requirements by using Social Security numbers to verify citizenship. CHIPRA also establishes a system of bonus payments to give states incentives to increase Medicaid enrollment. States must fulfill five out of eight eligibility requirements as well as meet a target level of Medicaid enrollment before receiving a federal bonus payment per child over the target level.

For more information on CHIP, visit the [Kaiser Commission on Medicaid and the Uninsured](#) website. They also offer a [good summary of the CHIPRA law](#).