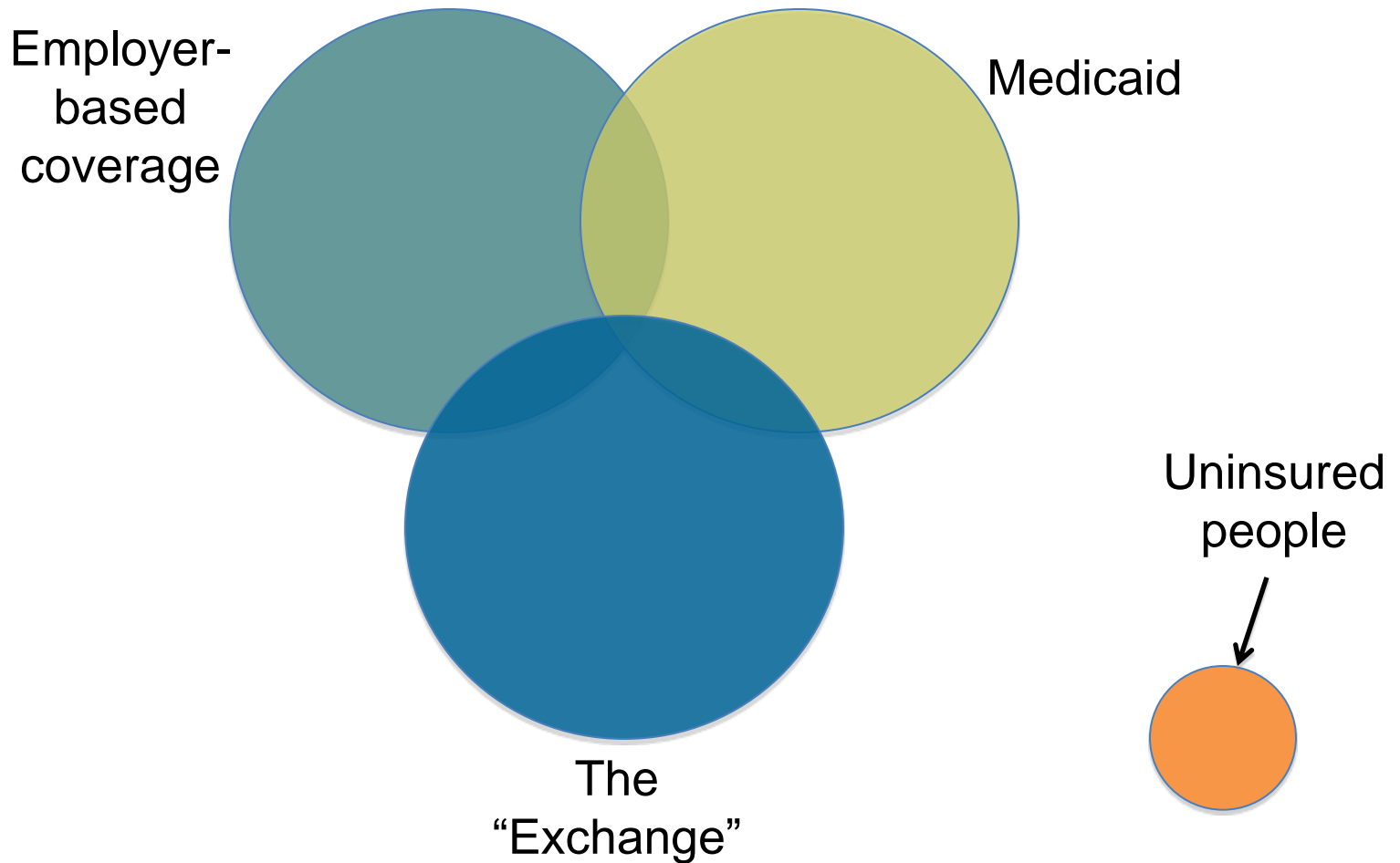


What Does Health Reform Mean for Medicaid and CHIP?



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Overall Structure



The Primary Coverage Elements of Health Reform

- Expand Medicaid; maintain CHIP
- Create an insurance “Exchange” for individuals and small businesses, with tax credits for individuals purchasing coverage
- Private insurance market reforms
- Credits for small businesses
- Employer responsibility
- Individual mandate



What Happens Soon in Medicaid and CHIP?

In place now:

- Maintenance of effort requirements in Medicaid/CHIP
- State option to cover adults up to 133% FPL in Medicaid
- State employee children now can enroll in CHIP

By July 1, 2010:

- New web portal to connect people with existing coverage options

Moving to 2014



Pathways to Coverage

Medicaid – Coverage Provisions

- Establishes a new mandatory minimum of 133% of the FPL for all non-elderly individuals
 - Benchmark benefits for newly eligible parents and childless adults
 - Affects kids in 20 states
- Substitutes a 5% income disregard for current state policies (“MAGI”)
- Higher Medicaid reimbursement rates for primary care in 2013 and 2014 (equal to Medicare rates), fully-federally funded
- Generous federal support for new expansions

Pathways to Coverage

Medicaid – Financing Provisions

- Provides uniform 100% Federal financing for “newly eligible” between 2014 and 2016; 95% in 2017; 94% in 2018; 93% in 2019; and 90% in 2020 and all future years
- Provides an enhanced match for childless adults in “expansion states,” so that by 2019, they receive the same match as other states
- States will receive their regular match (either Medicaid or CHIP) for those who enroll as part of the “welcome mat” effect

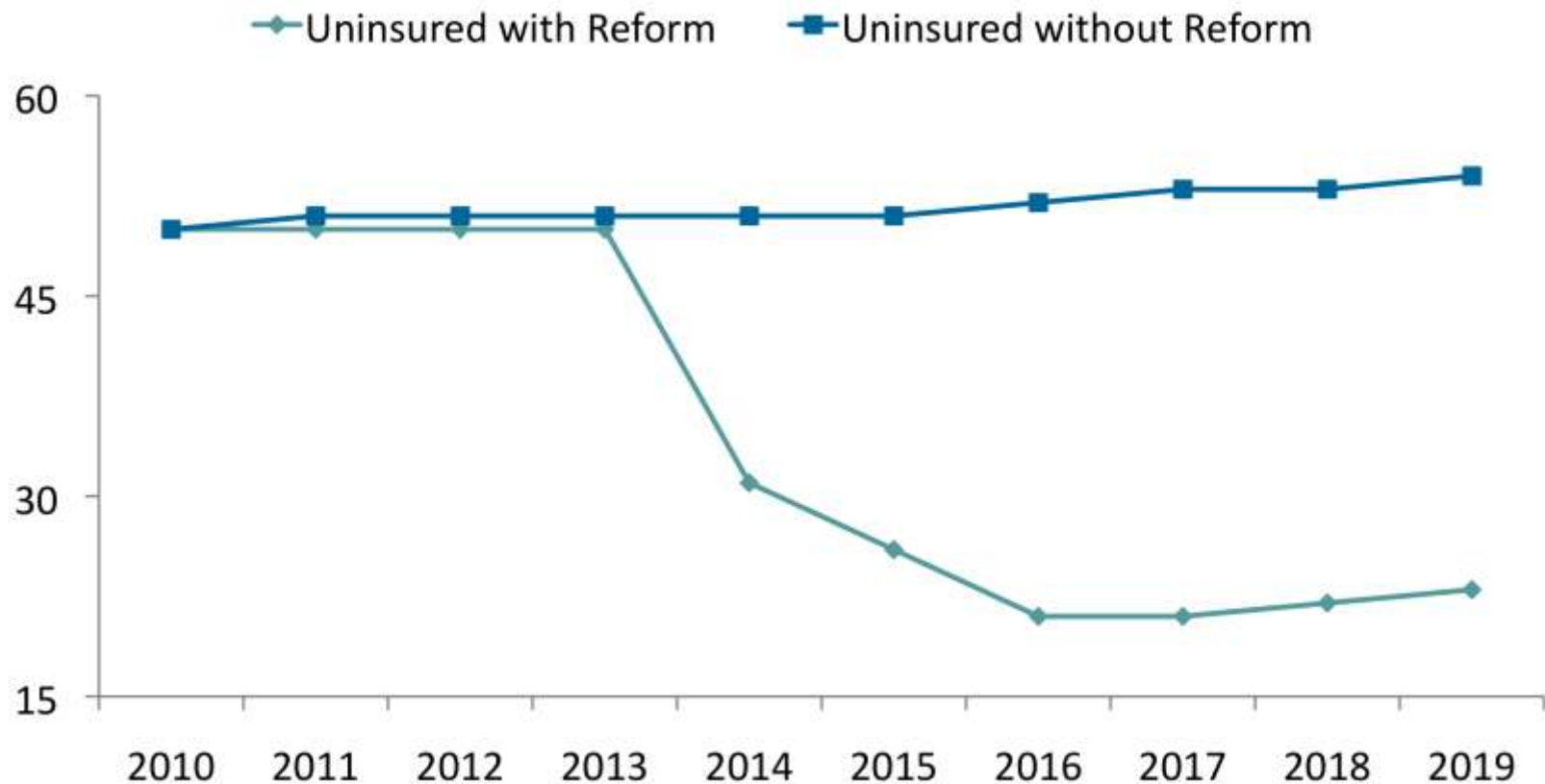
Pathways to Coverage

CHIP

- CHIP preserved and continued through FY 2019
- Funding provided through end of FY 2015 (2 years beyond CHIPRA)
- In FY 2016, states are slated to receive an increase of 23 percentage points in their match rate through 2019
- States are required to “hold steady” on existing CHIP eligibility and procedures, as of enactment, through 2019
- States can still expand and improve enrollment

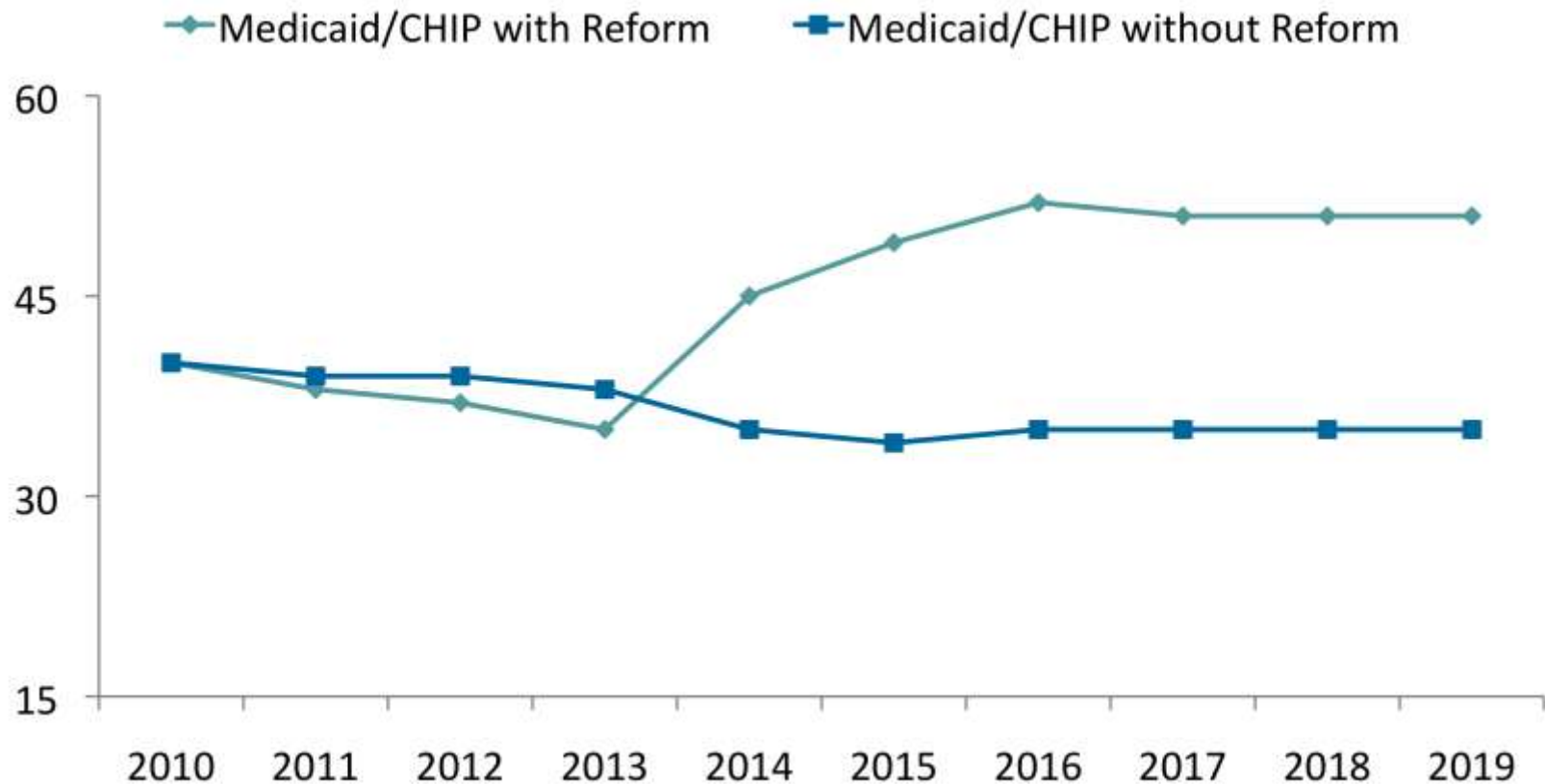
Health Reform Expected to Result in Major Coverage Gains

Millions of People



Medicaid/CHIP Enrollment Represents a Significant Portion of Coverage Gains

Millions of People



Enrollment of Families Under Reform

- Intent for “no wrong door” between Medicaid, CHIP, and the Exchange subsidies
- Use of modified adjusted gross income standard that is consistent with the tax system
- Web-based enrollment
- No asset test for most people in Medicaid



Help for Families Navigating the New System



Beginning in 2010 -
Consumer assistance
offices will help
individuals enroll in
insurance, troubleshoot
problems, and navigate
the health care system.

In 2014, “navigators” will
assist with public
education and
enrollment.

Building Successful Reform

- Health reform is really just beginning
- Four years is a lifetime for a child -- kids can't wait until 2014
- Families will need information and support
- Policymakers will need “reality checks”

