



CHIP Reauthorization

The Children's Health Insurance Program, known as CHIP and called Child Health Plus in NY, requires Congressional reauthorization by September 30, 2015 in order for states to continue to receive federal financing. States rely on this federal match to support their CHIP programs.

CHIP provides zero- to low-cost, high-quality, comprehensive health coverage for children, including doctor visits, vision and dental exams, immunizations, hospital care, and more.ⁱ Although CHIP has bipartisan support, Congress is debating whether to continue to fund this health insurance program responsible for insuring over 8 million children nationally, more than 500,000 of whom live in New York.

CHIP provides coverage to many children who would otherwise be uninsured or covered under plans that are not geared to meeting the health needs of children. Schuyler Center is working with other child health advocates to assure timely reauthorization of this vital program.

Why the Affordable Care Act (ACA) Does Not Replace CHIP

Under the Affordable Care Act (ACA), employers with over 50 employees are required to offer affordable health coverage to full-time employees. The ACA considers individual premiums affordable if they do not exceed 9.5 percent of an employee's income. If the health insurance premium for an individual is considered unaffordable, then that employee is eligible for subsidies under the exchange. However, because the measure of affordability is based on the individual's premium rather than the total cost of premiums for a family, the family would not be eligible for subsidies through the exchange if the individual premium were deemed affordable. This means that a family could end up paying well over 9.5% of their income for health insurance coverage. This is known as the 'family glitch' and, without CHIP reauthorization, children in these families will go uninsured. In fact, analysis done by the Wakely Consulting Group found "that many families would need to spend substantially more out of pocket to get the same care through an exchange plan that they get through CHIP".ⁱⁱ

The Wakely report also found that in addition to increased costs, CHIP covers more child-specific services with fewer limits than Qualified Health Plans offered under the Exchange.

State Perspective

Among the 4.6 million children residing in New York State, 1.9 million, or 42 percent, live in low-income households.ⁱⁱⁱ The number of children insured by Child Health Plus (CHP) is growing steadily as families are able to shop New York's exchange year round for Medicaid and CHP coverage. CHP covers any child who is a resident of New York State, regardless of citizenship or immigration status. Between October 2013 and July 31, 2014, over 97,000 children enrolled in CHP through the New York State of Health Marketplace.^{iv}

What we can do

Schuyler Center along with its Children Youth and Family Task Force partners, Community Service Society and Children's Defense Fund-NY, met with Senators Gillibrand's and Schumer's staff to discuss the importance of CHIP and its timely reauthorization. We will continue to keep in touch with both offices and with other congressional leaders on this matter.

We will be reaching back out to all of you when the time is right to ask for help contacting your elected officials to show that advocates are united in our support to extend CHIP and that a timely reauthorization is necessary for state planning.

ⁱ Healthcare.gov "Children's Health Insurance Program CHIP"

ⁱⁱ Goodnough, Abby, "Fate of Children's Insurance Program is Called into Question at Senate Hearing", nytimes.com

ⁱⁱⁱ National Center for Children in Poverty, 2014

^{iv} New York State of Health: the Official Health Plan Marketplace, "2014 Open Enrollment Report"