

Alliance of Community Assistance Ministries, Inc. (ACAM)
Association for Family and Community Integrity, Inc.
Behavioral Health Alliance of Texas
Bering Omega Community Services
Care for Elders
Career and Recovery Resources, Inc.
Catholic Charities of the Archdiocese of Galveston-Houston
CHILDREN AT RISK
Children's Defense Fund
Coalition for the Homeless of Houston/Harris Co., Inc.
Coalition of Behavioral Health Services
Collaborative for Children
Communities In Schools
Community Family Centers
Community Health Choice, Inc.
Covenant House of Texas
DePelchin Children's Center
Depression & Bipolar Support Alliance
Greater Houston (DBSA)
Easter Seals of Greater Houston, Inc.
Family Services of Greater Houston
Fort Bend Regional Council on Substance Abuse, Inc.
Good Neighbor Healthcare Center
Greater Houston Healthconnect
Harris County Healthcare Alliance
Healthcare for the Homeless-Houston
Houston Area Association for the Education of Young Children
Houston Area Community Services
Houston Area Women's Center
Houston Food Bank
Houston Methodist Hospital
IntraCare Behavioral Health
Jewish Family Service
League of Women Voters Houston
Legacy Community Health, Services Inc.
Lesbian Health Initiative
March of Dimes
Memorial Assistance Ministries (MAM)
Memorial Hermann Healthcare System
Mental Health America of Greater Houston
NAMI Greater Houston
National Association of Social Workers-Houston
Neighborhood Centers, Inc.
New Hope Housing, Inc.
Northwest Assistance Ministries
Phoenix Houses of Texas, Inc.
Planned Parenthood Gulf Coast
Presbyterian Children's Homes and Services
Santa Maria Hostel, Inc.
SEARCH Homeless Services
Spaulding for Children
Spring Branch Community Health Center
Springfield College School of Human Services
St. Joseph House
Texas Children's Hospital
Texas Health Institute
Texas Hunger Initiative
The Arc of Greater Houston
The Council on Alcohol & Drugs Houston
The Immunization Partnership
The Living Bank
The Network of Behavioral Health Providers
The Rose
The Walk for Mental Health Awareness-Houston
The Women's Home
United Way of Greater Houston
Vita-Living, Inc.
Wesley Community Center
Worklife Institute
YMCA of Greater Houston

One Voice Texas

A Collaborative for Health & Human Services



Healthcare Children's Health Insurance Program (CHIP)

Position Statement Approved by One Voice Texas: December 10, 2014

Issue/Concern:

Texas has one of the highest rates of uninsured children in the nation. The State Children's Health Insurance Program is a federal-state match program that was enacted in Texas in 1998 to provide health insurance coverage for uninsured children under age 19. The program is specifically aimed at offering a solution to those low to moderate income families that earn too much money to qualify for Medicaid, but still can't afford to purchase health insurance. The average monthly size of the CHIP caseload has varied over time. The CHIP caseload reached a high of 607,000 children in September 2013, and has been decreasing since the introduction of the Affordable Care Act (ACA).

The funds appropriated under the federal law that established CHIP are set to run out at the end of fiscal year 2015. Currently, no new funds have been appropriated to continue the CHIP program. In order for CHIP to continue in Texas, funds must be appropriated for the program by the federal government. The Congressional committees currently considering reauthorization of CHIP are The House Committee on Energy and Commerce and the Senate Finance Committee.

The need for CHIP reauthorization is especially important because of a mistake in the ACA known as the "family glitch" that would result in some children losing coverage. Although the ACA generally benefits CHIP, there are two consequences of the "family glitch" that negatively impact access for children. The ACA only requires employers to offer "affordable" health coverage to their employees. There is no requirement for employers to make affordable coverage available to the children or families of employees. And, when an employer offers "affordable" coverage to an employee who earns 400% FPL, that employee is no longer eligible for federal subsidies. Thus, parents whose employers offer affordable coverage, do not necessarily have an "affordable" coverage option for their children, and they lose access to the subsidy. If funding for CHIP is eliminated, their children will not have an affordable coverage option.

Specific Policy Recommendations:

Support federal reauthorization of CHIP funds.

What Can Be Accomplished?

The CHIP program is a critical tool available to the state to help reduce the number of uninsured children in Texas. Reauthorized funding of CHIP is critical, not only in terms of its availability to those new children who need coverage but also to those whose coverage under the ACA is in jeopardy.

How Will This Impact State Funding?

In 2012, the cost of the CHIP program in Texas was estimated to be about \$1.15 billion. The state's portion comprised less than \$400 million of this total. CHIP saves state dollars by covering uninsured children in Texas, providing a high match rate and reducing expenses related to uncompensated costs.

CHIP is a positive financial investment for Texas. Under CHIP, the federal government pays a higher portion of the cost than Medicaid. The average federal share under CHIP is 71% of the cost, compared to Medicaid's 57%. And, the ACA calls for increased federal match for the program. If Congress extends funding for CHIP, the federal match rate would increase to an average of 94% - meaning the state would only pay about 6%.

Supporting Facts/Research Resources:

- ✓ Code Red Texas, Medicaid and the State Children's Health Insurance Program accessed at http://www.coderedtexas.org/files/Report_Chapter04.pdf
- ✓ Children's Health Coverage: Medicaid, CHIP and the ACA accessed at <http://kff.org/health-reform/issue-brief/childrens-health-coverage-medicaid-chip-and-the-aca/>
- ✓ <http://www.hhsc.state.tx.us/research/CHIP/ChipDataTables.asp>
- ✓ ACA and the Children's Health Insurance Program. Kaiser Health News. Accessed online at <http://kaiserhealthnews.org/news/aca-and-the-childrens-health-insurance-program/>

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