

Compendium of Budget Information for the 2014 General Session

Social Services Appropriations Subcommittee

Agency: Health

Line Item: Children's Health Insurance Program

Function

The Children's Health Insurance Program (CHIP) provides health insurance coverage to uninsured children up to age 19 living in families whose income is less than 200 percent of the Federal Poverty Level (FPL). Additionally, eligible children must: (1) not have access to affordable health insurance, (2) not have voluntarily terminated private health insurance within the last 90 days, and (3) be U.S. citizens or legal residents. There is no asset test for CHIP eligibility. For more information please visit <http://health.utah.gov/chip/howtoapply.htm>.

Utah's Premium Partnership for Health Insurance (UPP) allows families to receive a partial reimbursement of their health insurance premium using CHIP funds if enrolled in their employer's health care coverage or in COBRA continuation coverage. This line item has the funding for children on UPP. UPP pays monthly up to \$120 per child to pay the premiums of qualifying employee-sponsored health insurance and up to \$20 monthly for qualifying employee-sponsored dental insurance. Children that do not have access to affordable employee-sponsored dental insurance may enroll in CHIP dental coverage. Children who qualify can live in families that make up to 200% of the Federal Poverty Level. The Medical Optional Services line item has the funding for adults on UPP.

The major portion of the funding for CHIP comes from federal funds. The authorized level of federal funds is tied to the State's Medicaid rate, but at an enriched level. Because the State of Utah has a relatively high Medicaid rate, the CHIP services match rate is also fairly high as compared to the national average. CHIP clients receive services from one of two managed care plans operating under fully risk-based, capitated contracts.

The benefit package for CHIP emphasizes prevention and is based on the benefit package offered by the health maintenance organization in the State with the largest commercial enrollment. There is no cost to clients for well-child exams and immunizations. Some services require cost sharing, which varies depending on a family's income level. Cost sharing by clients is actuarially equivalent to the cost sharing in private health plans for families with incomes from 151 to 200 percent FPL, but may not exceed 5 percent of the household's gross income in any given year. CHIP provides three cost sharing plans based on income: Plan A up to 100% of FPL, Plan B between 101% and 150% of FPL, and Plan C between 151% and 200% of FPL. The federal government places additional limits on cost sharing for the lowest income families (Plans A & B) with incomes less than 151 percent FPL.

Statutory Authority

The Utah Health Code in Title 26 of the Utah Code governs the Children's Health Insurance Program.

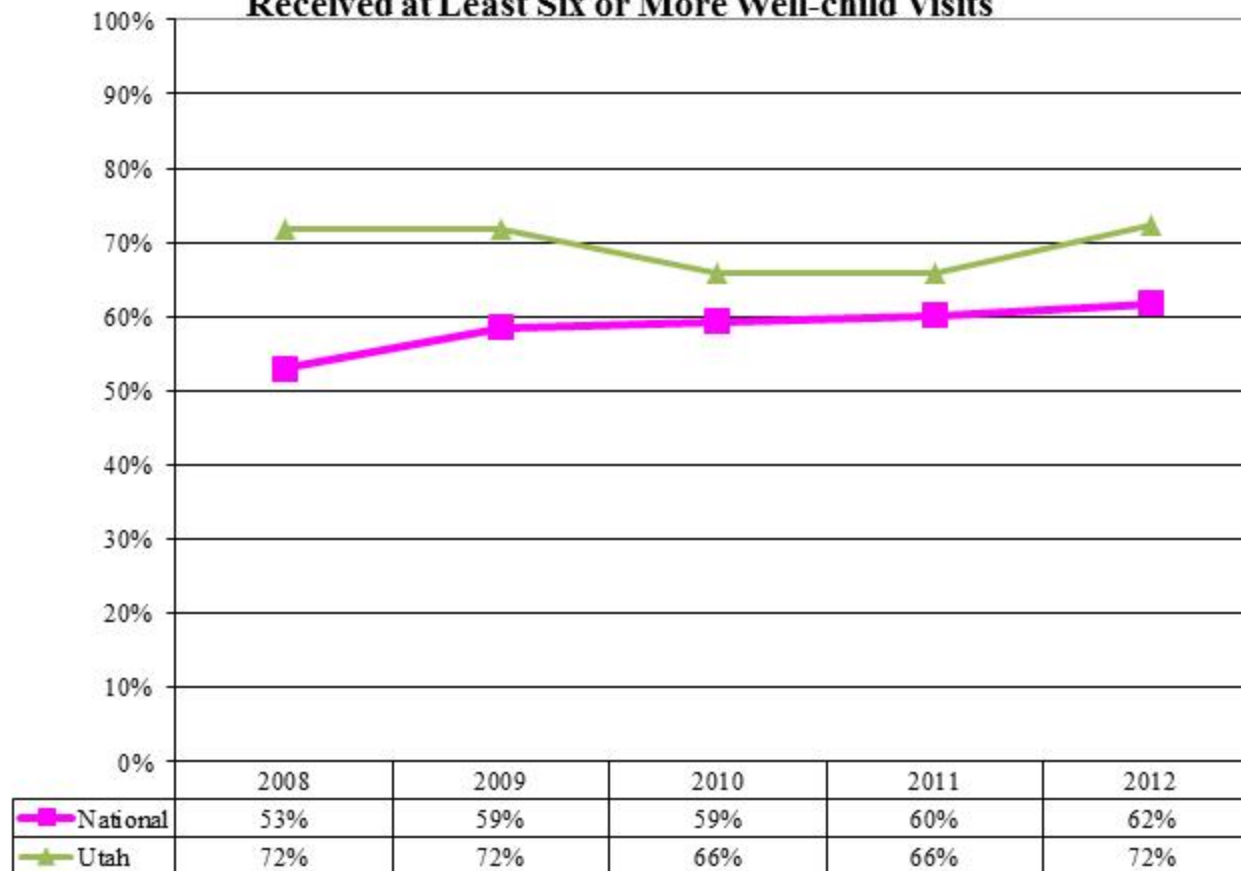
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- UCA 26-40 details the eligibility qualifications, minimum program benefits, and the funding mechanism for the program.
 - UCA 26-40-103 directs the Department of Health to enroll all Children's Health Insurance Program beneficiaries in the electronic exchange of clinical health records unless the individual opts out.

Intent Language

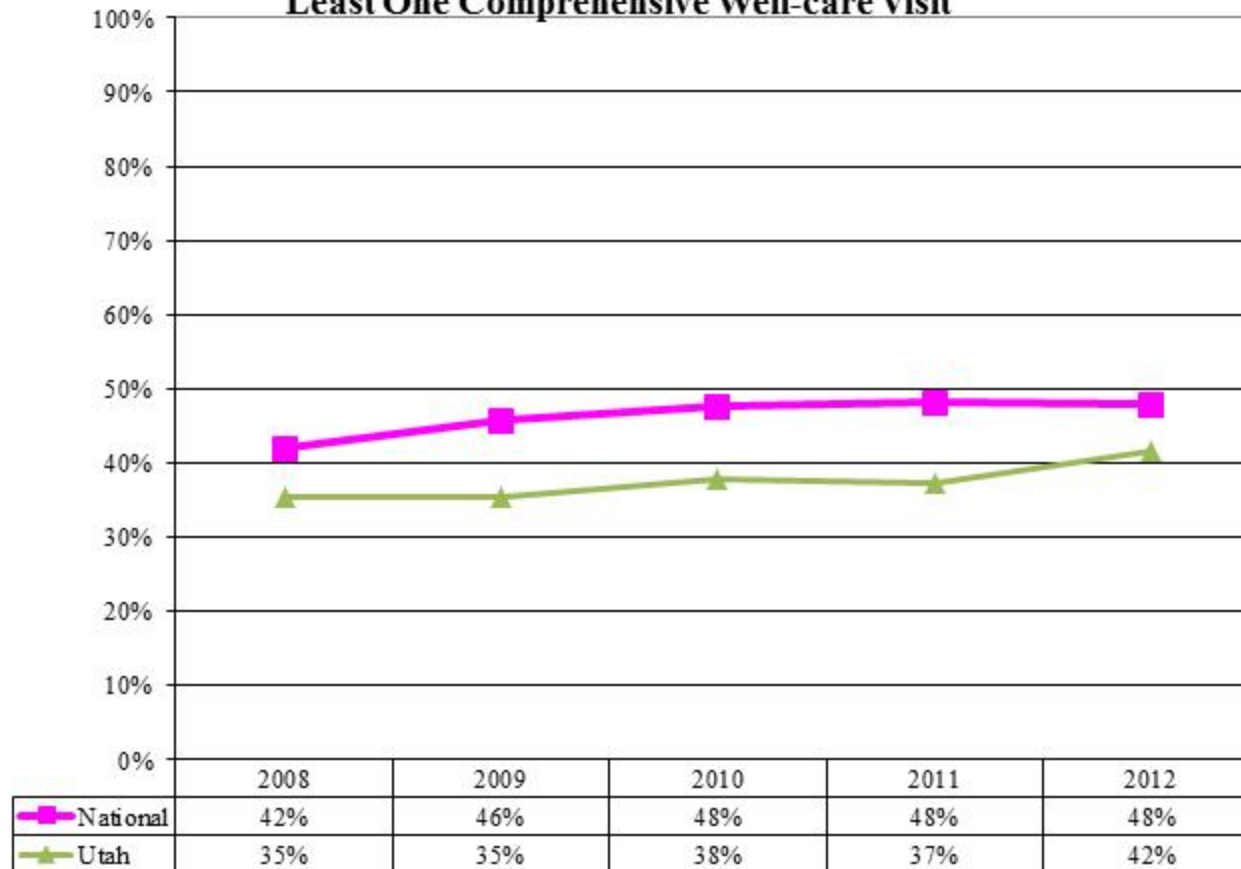
Under Section 63J-1-603 of the Utah Code the Legislature intends that appropriations provided for the Children's Health Insurance Program in Item 88 of Chapter 416 Laws of Utah 2012 not lapse at the close of Fiscal Year 2013. The use of any nonlapsing funds is limited to caseload and utilization increases.

Performance

**Percentage of Children (Less Than 15 Months Old) That
Received at Least Six or More Well-child Visits**



Percentage of Members (12 - 21 Years of Age) Who Had at Least One Comprehensive Well-care Visit



Funding Detail

For analysis of current budget requests and discussion of issues related to this budget [click here](#).

Sources of Finance	2013 Actual	2014 Approp	2014 Change	2014 Revised	2015 Change	2015 Approp
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General Fund	\$5,373,300	\$6,874,600	\$0	\$6,874,600	(\$497,800)	\$6,376,800
General Fund, One-time	(\$3,800,000)	\$0	(\$3,999,600)	(\$3,999,600)	\$4,000,300	\$700
Federal Funds	\$56,225,800	\$75,742,600	(\$55,835,200)	\$19,907,400	\$35,285,400	\$55,192,800
Dedicated Credits Revenue	\$1,955,400	\$1,880,800	\$100	\$1,880,900	(\$12,800)	\$1,868,100
GFR - Tobacco Settlement	\$11,482,800	\$11,486,700	\$600	\$11,487,300	\$4,900	\$11,492,200
Transfers - Within Agency	\$31,100	\$82,400	(\$19,400)	\$63,000	\$0	\$63,000
Transfers - Workforce Services	\$212,800	\$0	\$306,800	\$306,800	\$100	\$306,900
Beginning Nonlapsing	\$2,866,100	\$0	\$1,403,300	\$1,403,300	(\$903,300)	\$500,000
Closing Nonlapsing	(\$1,403,300)	\$0	(\$500,000)	(\$500,000)	\$500,000	\$0
Lapsing Balance	(\$221,900)	\$0	\$0	\$0	\$0	\$0
Total	\$72,722,100	\$96,067,100	(\$58,643,400)	\$37,423,700	\$38,376,800	\$75,800,500

Programs	2013 Actual	2014 Approp	2014 Change	2014 Revised	2015 Change	2015 Approp
Children's Health Insurance Program	\$72,722,100	\$96,067,100	(\$58,643,400)	\$37,423,700	\$38,376,800	\$75,800,500
Total	\$72,722,100	\$96,067,100	(\$58,643,400)	\$37,423,700	\$38,376,800	\$75,800,500

Categories of Expenditure	2013 Actual	2014 Approp	2014 Change	2014 Revised	2015 Change	2015 Approp
Personnel Services	\$996,700	\$1,336,000	(\$178,600)	\$1,157,400	\$51,500	\$1,208,900
In-state Travel	\$2,500	\$3,300	(\$1,000)	\$2,300	\$500	\$2,800
Out-of-state Travel	\$7,400	\$4,100	(\$2,700)	\$1,400	(\$100)	\$1,300
Current Expense	\$332,600	\$757,100	(\$369,800)	\$387,300	\$1,100	\$388,400
DP Current Expense	\$26,000	\$31,000	(\$10,700)	\$20,300	\$4,200	\$24,500
DP Capital Outlay	\$26,900	\$0	\$0	\$0	\$0	\$0
Other Charges/Pass Thru	\$71,330,000	\$93,935,600	(\$58,080,600)	\$35,855,000	\$38,319,600	\$74,174,600
Total	\$72,722,100	\$96,067,100	(\$58,643,400)	\$37,423,700	\$38,376,800	\$75,800,500

Other Indicators	2013 Actual	2014 Approp	2014 Change	2014 Revised	2015 Change	2015 Approp
Budgeted FTE	12	13	1	14	0	14
Actual FTE	7	0	0	0	0	0

COBI contains unaudited data as presented to the Legislature by state agencies at the time of publication. For audited financial data see the State of Utah's Comprehensive Annual Financial Reports.