State CHIP Fact Sheets—2008

Indiana

NATIONAL ACADEMY for STATE HEALTH POLICY

The Children's Health Insurance Program (CHIP) has served as a critical source of coverage for children since 1997, and the 2009 enactment of the Children's Health Insurance Program Reauthorization Act (CHIPRA) strengthened the program through increased funding, new enrollment and outreach opportunities, and other provisions. Under the Patient Protection and Affordable Care Act (ACA), which will require major reforms to the health care system, CHIP will continue to play an important role in providing coverage to children. **The law extends authorization for CHIP through federal fiscal year (FY) 2019 and extends funding for the program through FY 2015.** In addition, ACA has a number of implications for state systems and policies regarding eligibility, enrollment, and retention in CHIP. These fact sheets provide a snapshot of state CHIP programs before the implementation of CHIPRA and ACA began.[1]

General Information[2]

Program name: *Hoosier Healthwise*

Program type: States can operate one of three types of CHIP programs—a Medicaid expansion program, a separate program, or a combination.

Indiana operates a combination program.

Federal CHIP match rate in FY 2009: 74.98%

States will receive a 23 percentage point increase in their federal CHIP match rates, with a cap at 100%, starting October 1, 2016.

Eligibility

Family income: CHIP provides health insurance for uninsured children in low-income families that cannot afford private coverage and do not qualify for Medicaid. Under CHIPRA, states receive the federal CHIP match rate for coverage of children in families with incomes at or less than 300% of the federal poverty level (FPL), or $21,200 for a family of four in 2008. States can cover children in families with higher incomes through CHIP, but they receive the lower federal Medicaid match rate.[3] Income eligibility limits for CHIP vary in some states based on the ages of the children covered.

Buy-in option: States can allow families with incomes that exceed the upper income eligibility limit to pay the cost of the premium to purchase coverage for their uninsured children through CHIP.

Income Eligibility Limits for CHIP in Indiana in 2008 (by Age Group)

	Younger than age one	Ages one to five	Ages six to 18	Buy-in option
Medicaid expansion	150% FPL	133%-150%	100%-150% FPL	No
Separate	200% FPL	200% FPL	200% FPL	No

ACA requires states to maintain current income eligibility limits for children in CHIP through September 30, 2019. After December 31, 2013, states will have to use modified adjusted gross income to determine CHIP eligibility.

Enrollment and Retention

Enrollment in CHIP in Indiana (by Year)[4]

2004	2005	2006	2007	2008	2009
64,403	68,939	69,787	68,394	71,253	70,496

1. Unless otherwise noted, this fact sheet uses information taken from a 2008 NASHP survey of state CHIP programs.

2. Kaiser Family Foundation, statehealthfacts.org, July 2010.

3. States that meet a "grandfathered" clause can receive the federal CHIP match rate for coverage of children in families with incomes higher than 300% FPL.

4. Kaiser Commission on Medicaid and the Uninsured and Health Management Associates, "CHIP Enrollment June 2009: An Update on Current Enrollment and Policy Directions," Apr. 2010. Note: Figures do not include children enrolled in CHIP through a buy-in option.

Simplification efforts: In an effort to reduce barriers to enrollment and renewal in CHIP, states have implemented measures to streamline these processes. States must implement some of the strategies in the chart below to qualify for performance bonuses under CHIPRA.[5]

<table>
<tr><th colspan="4">Efforts for Simplifying Enrollment and Renewal in CHIP in Indiana (as of 2008)</th></tr>
<tr><th>Strategy</th><th colspan="2">Explanation</th><th>Use in state</th></tr>
<tr><td>Presumptive eligibility</td><td colspan="2">States can allow certain entities to make a preliminary determination that children qualify for CHIP, based on a declaration of family income, and provisionally enroll these children in the program.</td><td>No</td></tr>
<tr><td>No asset test</td><td colspan="2">In addition to income level, states can consider assets and other resources in the determination of eligibility for CHIP; this can delay determinations and make the enrollment process more difficult.</td><td>Yes</td></tr>
<tr><td>No in-person interview</td><td colspan="2">States can require an in-person interview as part of the application process for CHIP; this can make the enrollment process more difficult, especially for working parents.</td><td>No</td></tr>
<tr><td>Joint application for Medicaid</td><td colspan="2">States can establish a joint application for their Medicaid and CHIP programs to simplify their enrollment processes.</td><td>Yes</td></tr>
<tr><td>Ex parte renewal</td><td colspan="2">States can access government or commercial databases to verify family income to allow renewal in CHIP without paperwork required from families.</td><td>No</td></tr>
<tr><td>Continuous eligibility for 12 months</td><td colspan="2">States can allow children to retain coverage through CHIP for as long as 12 months, regardless of whether their family income changes during that time period.</td><td>Yes</td></tr>
<tr><td>Application and renewal form submission</td><td>States vary in the methods through which they allow families to submit applications and renewal forms for CHIP.</td><td colspan="2">Application—mail, fax, telephone, online, at point of service, or in person; renewal form—mail or telephone (for expansion program)/mail, fax, or telephone (for separate program)</td></tr>
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Under ACA, states will have to establish a single application for Medicaid, CHIP, and plans in the American Health Benefit Exchanges; screen applicants for eligibility in all programs; and refer applicants to the appropriate program for enrollment. States also will have to allow submission of applications online, by telephone, by mail, or in person.

Cost Sharing and Coverage

Cost Sharing in CHIP in Indiana in 2008			
Premiums	**Deductible**	**Copayments**	**Coinsurance**
No (for expansion program)/monthly (for separate program)—$22, $33 maximum per family (150%-175% FPL); $33, $50 maximum per family (175%-200% FPL)	No	No (for expansion program)/yes (for separate program)—150%-200% FPL	No

Benefits package: States operating Medicaid expansion CHIP programs under their State plans provide the benefits package required by federal Medicaid law, and this package includes coverage for EPSDT. States operating separate programs must offer a benchmark package, a benchmark equivalent package, an existing comprehensive state-based package, or a package approved by the secretary of the Department of Health and Human Services (HHS).

Benefits package for CHIP in Indiana in 2008—*package required by federal Medicaid law (for expansion program); benchmark equivalent/package provided by a commercial health plan selected by the state (for separate program)*

ACA will require the HHS secretary to certify which plans in the Exchanges provide at least comparable benefits to CHIP and have similar cost sharing requirements.

For more information, please contact the National Academy for State Health Policy at info@nashp.org.

5. Under CHIPRA, states must adopt five of eight measures to simplify enrollment and renewal for children in their Medicaid and CHIP programs, as well as meet Medicaid enrollment targets, to qualify for performance bonuses. **ACA will not extend these bonuses after September 30, 2013.**