
CMCS Informational Bulletin

DATE: December 30, 2013

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Director

SUBJECT: FY 2013 CHIPRA Performance Bonuses

Today we are awarding more than \$307 million in Fiscal Year (FY) 2013 Children's Health Insurance Reauthorization Act (CHIPRA) Performance Bonuses to 23 states, including: Alabama, Alaska, Colorado, Connecticut, Idaho, Illinois, Iowa, Kansas, Maryland, Michigan, Montana, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oregon, South Carolina, Utah, Virginia, Washington and Wisconsin. All 23 states also received bonuses for FY 2012; nine of the states received bonuses each year since 2009. This year marks the fifth and final year CHIPRA bonuses will be awarded.

Many of the simplification options that states adopted to qualify for a CHIPRA performance bonus – including elimination of in-person interview requirements and a streamlined renewal process – will be in place in all states in 2014 and applied consistently across Medicaid, the Children's Health Insurance Program (CHIP) and the Health Insurance Marketplace. These simplifications have led to improved coverage for children and have helped lay the groundwork for outreach efforts aimed at enrolling people now eligible for coverage under the Affordable Care Act.

Background on the CHIPRA Performance Bonus

The Children's Health Insurance Program Reauthorization Act of 2009 established performance bonuses to give states an incentive to support the enrollment and retention of eligible children in Medicaid and CHIP and to help defray the costs associated with increasing enrollment of the lowest income children. Federal funding for qualifying states has been awarded annually in fiscal years 2009 through 2013.

To qualify for a performance bonus, states must meet two requirements: (1) States must implement at least five out of eight specific program features aimed at streamlining their enrollment and renewal procedures. Such improvements include eliminating face-to-face interview requirements so that applications can be filed online or through the mail, using electronic data-matching to reduce paperwork, and making it easier to renew, thereby minimizing disruptions in coverage and necessary treatment. (2) States also must increase children's enrollment in Medicaid above a baseline level for the fiscal year. States that increase enrollment more than 10 percent above their baseline receive a larger (Tier 2) bonus.

By adopting the program features needed to earn a CHIPRA bonus, states have implemented sustainable improvements to their programs. They have helped eligible children gain and retain access to health insurance and also have helped achieve administrative efficiencies.

FY 2013 CHIPRA Performance Bonus Highlights

This year, states have recognized that the buzz about the availability of health coverage, in general, has helped ramp up interest and applications for Medicaid, even in states that have not yet decided to expand eligibility. A number of states continued to fine-tune and build on program features they previously adopted and also have taken steps to help make their outreach efforts more effective.

- **Colorado** attributes its FY 2013 bump in children's Medicaid enrollment in large measure to the state's ambitious systems modernization initiative. Central to that effort is the development of the Colorado Program Eligibility and Application Kit (PEAK), which is designed to help applicants apply for a range of public benefits online. It also allows beneficiaries to manage their benefits, increasing self-sufficiency, and enables the state to improve customer service and accountability. There has also been a concerted state effort to work with partners across the state to get eligible people covered. Enhanced outreach and a new mind-set that conveys the expectation that Coloradans *will have health coverage* has helped boost Medicaid enrollment.
- **New Jersey** is continually improving upon its presumptive eligibility process for children. Since last year, the state has been allowing primary care providers, as well as community health centers and hospitals, to make presumptive eligibility determinations, meaning they can enroll eligible children and provide benefits while the full application process is being completed. The state also has developed a web-based certification tool that enables providers to get training online. In anticipation of the new Hospital Presumptive Eligibility provision that will become effective in January 2014, New Jersey has revised and enriched the online training tool so that more hospitals will be able to become certified quickly and easily.
- **South Carolina** attributes its 2013 increase in children's Medicaid enrollment to the increased attention on health care, as well as the state's new online application process. The state reports that about 13 percent of applications were submitted electronically in October, and it expects that proportion to increase. In addition, South Carolina's continued efforts to improve its Express Lane Eligibility (ELE) process has helped boost enrollment. South Carolina renews children's Medicaid based on their family's SNAP or TANF data and the state also can enroll children into Medicaid when their families are found eligible for SNAP or TANF. As of October 2013, approximately 103,000 enrollments and 360,000 renewals had been processed via ELE. Nearly 50 percent of the children enrolled through ELE have either selected a managed care plan or have used services, indicating that families want Medicaid coverage for their children.

Simplification and outreach efforts have been paying off for children. Recent Census data show that uninsurance rates for children declined from 8.6 percent in 2009 to 7.5 percent in 2011. In addition, an analysis by the Urban Institute found that participation rates in Medicaid and CHIP have continued to improve over time. In 2011, 87.2 percent of eligible children were enrolled, a 5.5 percentage point increase from 81.7 percent in 2008. A map presenting the latest Medicaid/CHIP participation rates can be found at <http://www.insurekidsnow.gov/professionals/reports/index.html>

The full list of FY 2013 performance bonus awardees and details about their efforts, as well as a table presenting the history of the CHIPRA performance bonuses can be found at: http://www.insurekidsnow.gov/professionals/eligibility/performance_bonuses.html