

October 6, 1999

Dear State Health Official:

This letter provides additional guidance as you begin to prepare the Annual Report due January 1, 2000, and the required evaluation of your Children's Health Insurance Program (CHIP) due March 31, 2000.

**Who is required to submit an Evaluation in 2000?**

Each State or Territory with an approved child health plan is required to submit to the Secretary an evaluation by March 31, 2000.

**What is the purpose of the CHIP Evaluation?**

This evaluation provides States with an important opportunity to document program achievements and to assess program effectiveness in achieving the goals of CHIP. The requirements for State evaluations are outlined in Section 2108 of the Social Security Act. In addition, title XXI requires the Secretary to evaluate and compare the effectiveness of State plans and to submit a report to Congress based on States evaluations by December 31, 2001. The basis of this report will be the information provided by State evaluations.

**What information should be included in State Evaluations?**

To assist States in addressing the title XXI requirements for evaluation, a group of States has worked with the National Academy for State Health Policy (NASHP) to develop a model framework that may be used for State Evaluations. The requirements outlined in title XXI serve as the basis for the evaluation framework.

We recognize that while some States may have experience in designing and evaluating their children's health insurance programs, others may not. With respect to specific program elements required by statute and those covered in the optional framework, some States may be able to provide information that is evaluative in nature, while other States may have limited experience and data and will be more descriptive in their responses. With these variations in mind, we urge States to quantitatively assess the impact and outcomes associated with specific program elements whenever possible. States with more limited experience in evaluating their programs are encouraged to describe, to the greatest extent possible, the specific aspects of

their programs. While States are not required to use the framework, they must address all statutory reporting requirements outlined in Section 2108 of the law.

**Must the State submit both and Annual Report and Evaluation in 2000?**

Title XXI requires States to submit their fiscal year (FY) 1999 Annual Report by January 1, 2000, and the Evaluation by March 31, 2000. As Section 2108 of the Social Security Act requires States with an approved child health plan to provide both an Annual Report and an Evaluation in 2000, HCFA has no authority to waive the Annual Report requirement. States will be permitted, however, to submit their FY 1999 Annual Report and their State Evaluation on March 31, 2000, together as one comprehensive document. Each State's submission will still have to meet the title XXI requirements for both the FY 1999 Annual Report and the State Evaluation. The NASHP framework has been designed to accommodate these requirements.

It is absolutely critical that all States submit these reports in a timely manner to ensure that all States and the Federal government can document the successes and challenges of CHIP. In addition, States should continue to submit quarterly statistical and financial reports on a timely basis.

The evaluation framework is available on disk to facilitate easy completion. Please send a disk or an electronic copy of your completed evaluation to your HCFA Regional Office contact no later than March 31, 2000.

HCFA looks forward to working with you in evaluating CHIP, and we urge you to consider using this template to provide critical information about your program in the most consistent way possible. If you have any questions regarding this letter or have technical assistance needs related to CHIP evaluation, please contact your HCFA Regional Office.

Sincerely,

/s/

Rachel Block Deputy Director

cc:

HHS Regional Directors HCFA Regional Administrators HCFA Associate Regional Administrators - Division of Medicaid and State Operations PHS Regional Offices Lee Partridge - American Public Human Services Association Brent Ewig - Association of State and Territorial Health Officials

Mary Beth Senkewicz - National Association of Insurance Commissioners Joy Wilson - National Conference of State Legislatures Matt Salo - National Governor's Association