

January 27, 1998

Dear State Medicaid Director:

The purpose of this letter is to provide you with instructions for reporting the new uninsured low-income children Medicaid coverage group on the HCFA-2082 statistical report.

The Balanced Budget Act (BBA) of 1997 created a State Children's Health Insurance Program (CHIP), designed to expand health care coverage to uninsured low-income children. Many States have begun implementing the provisions of this Act, which was effective October 1997.

The BBA allows States the option to expand health care coverage to children under a new Title XXI program or through expansion of their Medicaid program. States opting to expand coverage through their Medicaid programs will create an important new group of Medicaid eligibles. As States work to implement this new coverage, we wanted to offer guidance on the procedure for statistical reporting of this important group on the HCFA-2082. Expanded eligibles under Title XXI who are not covered by the State's Medicaid program will not be included in the HCFA-2082 report at this time.

The basic statistical report for the Medicaid program is the hard-copy form HCFA-2082. The optional State reporting alternative to the HCFA-2082 is quarterly transmissions of eligibility and claims data tapes through the Medicaid Statistical Information System (MSIS). States which provide individual eligibility data records through MSIS should code the new Medicaid eligibles based on the expansion for uninsured low-income children with a Maintenance-Assistance-Status (MAS) of "6" and a Basis-of-Eligibility (BOE) of "4." For hard-copy HCFA-2082 reporting in States which have not yet implemented MSIS, these individuals should be reported in the category "Other" for MAS and "Child" for BOE. Although the hard-copy HCFA-2082 reporting does not uniquely identify the uninsured low-income children group, this reporting scenario eliminates the need for interim changes in the hard-copy reporting forms prior to national implementation of MSIS in January 1999.

We believe that this new group is critically important and that these changes are needed to track the effect of Medicaid expansions on this population. Please communicate these instructions to the appropriate State staff. Refer questions regarding these instructions to Roger Buchanan at 410-786-0780 (or E-mail at rbuchanan@hcfa.gov).

Sincerely,

Rachel Block Director Data and Systems Group

cc: All HCFA Regional Administrators All HCFA Associate Regional Administrators, for Medicaid and State Operations Lee Partridge, American Public Welfare Association Joy Wilson, National Conference of State Legislatures Jennifer Baxendell, National Governors Association