

***STATE CHILDREN'S HEALTH INSURANCE PROGRAM (SCHIP)***

The SCHIP programs in the states have not been as successful as first predicted. The development of the state plans have been slow and controversial. A limited time was spent on outreach to eligible populations. However the SCHIP programs are finally beginning to succeed. Most plans developed primarily by the states provided well-child care while limiting the types of services needed by children with special health care needs. Only under the Medicaid expansion programs were specialized services covered.

This was due to the EPSDT requirement under Medicaid law.

The concern that most advocates have about these SCHIP programs is the timeline placed on the states by Congress to identify the population in need and to use the money to provide them adequate coverage. The Congress has extended the grace period for several states who were unable to meet those timelines. The Robert Wood Johnson Foundation has provided states additional monies to do comprehensive outreach programs. These outreach programs called Covering Kids, have helped states to better enroll children but the service structure is still very limited to providing well-child care.

Chief concern for SCHIP programs - "HIFA" - Health Insurance Flexibility and Accountability

In August of 2001, the Department of Health and Human Services, Center for Medicaid and Medicare revised the 1115 waiver process allowing states to eliminate optional categories of eligibles and optional services that states may have chosen in the past to provide under their Medicaid programs. The Health Insurance Flexibility and Accountability Initiative (HIFA) has placed into jeopardy those eligible under state SCHIP programs. SCHIP populations and home and community-based waiver/ TEFRA state plan amendment populations and medically-needy populations are all optional eligible categories being provided services in a variety of states. HIFA allows states to eliminate their eligibility and use that money to provide other uninsured individuals coverage. While only a few states have submitted proposals under HIFA, those who have are looking primarily at restricting optional services categories.