

Colorado Medicaid and CHP+ Children's Enrollment – 2009 Quarter Two

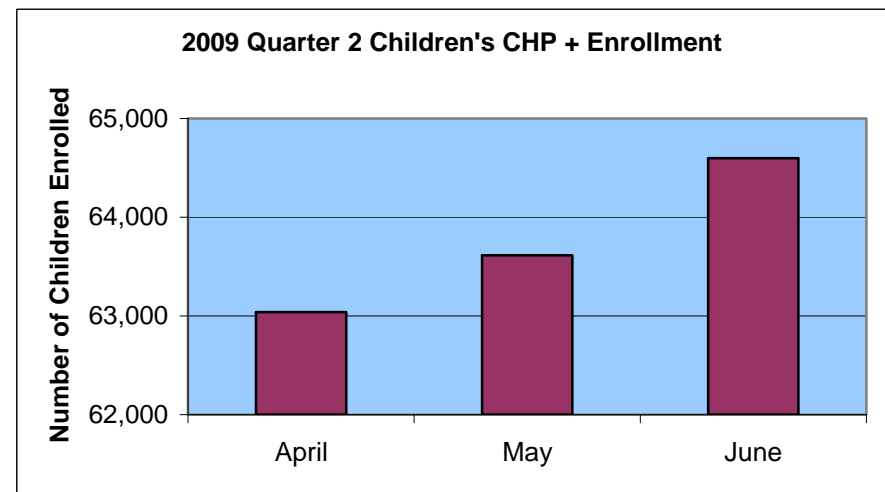
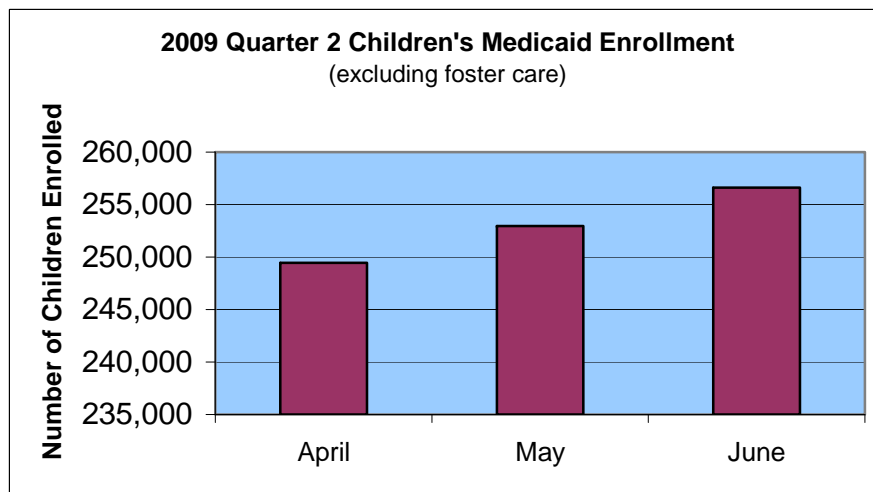
The purpose of this report is to illustrate children's enrollment changes in Colorado's Medicaid and Child Health Plan *Plus* (CHP+) programs and if appropriate, identify corresponding legislation, rule changes, and other factors that may have contributed to an increase or decrease. This report briefly reviews 2009 first quarter and describes 2009 second quarter enrollment. The enrollment data used for this report is from the Department of Health Care Policy and Financing Medical Services Premiums, Expenditures and Medicaid Caseload Reports.¹

The U.S. economy continued to slow down during the first quarter of 2009. The unemployment rate, defined as a lagging indicator, is often used to illustrate economic performance.² The unemployment rate in Colorado, adjusted for seasonal employment, continued to grow since November 2007, reaching 7.5% in March 2009.³ Kaiser estimates that for every one percent increase in the national unemployment rate, Medicaid and CHIP enrollment could increase by 1 million and the number of uninsured to 1.1 million.⁴ In Colorado, 19,000 individuals lose their health insurance with each one percent increase in the unemployment rate.⁵

Second Quarter of 2009

Total Colorado Medicaid enrollment numbers were 14 percent higher (467,556) at the end of June 2009 than in June 2008 – the largest number in the 40 years that Colorado has participated in the Medicaid program. An estimated 10 percent of the state's residents are enrolled in Medicaid.⁶ Enrollment of children in Medicaid and CHP+ increased overall in the second quarter of 2009. Colorado's unemployment rate decreased slightly in April and then rose, reaching 7.6% at the end of June.⁷ Rising unemployment often leads to the loss of health care coverage, which may explain much of the growth in numbers for both Medicaid and CHP+ enrollment.⁸ Other factors that may have contributed to increased enrollment in both programs include:

- Improved awareness of "ex parte review" - this procedure directs technicians to use current information from another aid program to re-determine eligibility
- Continued work of the Regional Outreach Coordinators



Children's Medicaid enrollment increased 2.73% from March to April 2009, 1.40% from April to May 2009, and 1.46% from May to June 2009. CHP+ enrollment decreased 0.82% from March to April 2009, and increased 0.91% from April to May 2009 and 1.55% from May to June 2009. The slight decrease in CHP+ enrollment between March and April could again be attributed to a lingering result of kids placed on CHP+ the prior year that were technically eligible for Medicaid but lacked citizenship and identity documentation that lost coverage during renewal in 2009.

Conclusion

Implementation of rule changes and the health of the economy, including state budget cuts, could affect next quarter's enrollment numbers.

The Children's Health Insurance Program Reauthorization Act of 2009 (CHIPRA)

On June 12, 2009, the Medical Services Board **permanently adopted** a revised rule regarding two CHIPRA citizenship documentation requirements:

1. Newborns whose birth was paid for by Medicaid no longer need to prove their citizenship after one year of eligibility ends.
2. States must accept certain tribal documents to establish citizenship.

These changes could potentially make it easier for some Colorado families to enroll and stay enrolled in Medicaid.

It is too early to know what effect recently announced rate cuts and other funding impacting providers will have on access and enrollment. CKF will monitor this and the state of the economy and comment in the next report.

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¹ The Department of Health Care Policy and Financing. (2009). Premiums, Expenditures, and Caseload Reports. Retrieved July 28, 2009, from <http://www.colorado.gov/cs/Satellite/HCPF/HCPF/1209635766663>

² Barker Center for Economic Education. Retrieved April 30, 2009, from http://www.federalreserveeducation.org/fed101_html/policy/indicators_print.htm

³ Bureau of Labor Statistics. (2009). *Databases and Tables*. Retrieved July 28, 2009, from <http://data.bls.gov/cgi-bin/surveymost>

⁴ Kaiser Commission on Medicaid and the Uninsured. (2008). *Medicaid, SCHIP, and Economic Downturn: Policy Changes and Policy Responses*. Retrieved March 25, 2009, from <http://www.kff.org/medicaid/upload/7770ES.pdf>

⁵ *Health Elevations*. The Colorado Health Foundation. Summer 2009.

⁶ "Colorado Medicaid List Swells to Record." Denver Post. Retrieved July 28, 2009, from http://www.denverpost.com/firstinthe/post/ci_12926875?source=email

⁷ Bureau of Labor Statistics. (2009). *Databases and Tables*. Retrieved July 28, 2009, from <http://data.bls.gov/cgi-bin/surveymost>

⁸ Families USA. (2009). *Squeezed! Caught Between Unemployment Benefits and Health Care Costs*. Retrieved May 1, 2009, from <http://www.familiesusa.org/assets/pdfs/cobra-2009.pdf>