



Child Health Plan *Plus* (CHP+) Winter 2004

Introduction

Member organizations of Colorado Covering Kids and Families (CKF) have collaborated to create the **CKF Educational Series – State Level**. The intent of these fact sheets is to provide Colorado’s families, policy makers, and other interested individuals or organizations with a factual summary of important health care issues facing Colorado. This fact sheet provides an overview of the Children’s Basic Health Plan (CBHP), also called the Child Health Plan *Plus* (CHP+), and key talking points around the issue.

About the Child Health Plan *Plus* (CHP+)

The U.S. Congress passed the State Children’s Health Insurance Program legislation (SCHIP) in 1997 to reduce the number of uninsured children. It allowed states to provide affordable public health insurance to low-income children from working families with incomes too high for Medicaid eligibility, and that do not have access to private insurance. In Colorado, the SCHIP program is called the Child Health Plan *Plus*, or CHP+. CHP+ is a private-public partnership, which is run by the Colorado Department of Health Care Policy and Financing and administered by a private contractor.

CHP+ for Children

CHP+ provides a comprehensive benefits package for children whose family income is more than 133 percent of the Federal Poverty Level (FPL) or equal to or less than 185 percent of the FPL. Medicaid provides coverage for those children at 133 percent or under of the FPL. The number of children enrolled in CHP+ each month fluctuates between 53,000 and 56,000.

- CHP+ Benefits for Children**
- regular physician visits
 - hearing aids
 - care for routine illnesses
 - prescriptions
 - dental exams & care
 - hospital services
 - eye examinations & eye wear
 - mental health care

- Talking Points**
- **Nearly 56,000 low-income children in Colorado are receiving medical and dental benefits through CHP+**
 - **Approximately 30,000 more children are eligible for CHP+ but cannot be enrolled due to an enrollment cap enacted on November 1, 2003**
 - **CHP+ Prenatal Care benefits for low-income women were suspended in May 2003**
 - **Colorado receives \$2 from the federal government for every \$1 the state contributes to CHP+**
 - **Current appropriations for CHP+ have not kept pace with the number of low-income women and children needing health insurance**

CHP+ for Pregnant Women

In 2002, Colorado legislators voted to expand CHP+ benefits to pregnant women who meet CHP+ income eligibility requirements. Expectant mothers receive the comprehensive benefits that CHP+ provides throughout their pregnancy and for 60 days after the end of their pregnancy.

When enrolled women give birth, their infants are automatically enrolled in CHP+ for one year. Five hundred ninety-three women were enrolled in the CHP+ Prenatal Care Program as of April 2003. Due to limited state budget appropriations, enrollment in the CHP+ Prenatal Care Program was suspended in May 2003.

How CHP+ is Funded

CHP+ is funded through a combination of state funds from the

CKF Coalition

Steering Committee
 Chair, Annie Wohlgenant, Rose Community Foundation
 Colorado Community Health Network - Lead Organization
 Colorado Children’s Campaign - Core Partner
 Pueblo Coalition for the Medically Underserved – Local Partner
 Hilltop Community Resources, Inc. (Grand Junction) – Local Partner
 Denver Health – Local Partner
 Colorado Center on Law and Policy
 Latin American Research and Service Agency (LARASA)

Participating Organizations and Agencies

Rose Community Foundation
 Colorado Department of Health Care Policy and Financing
 Colorado Department of Public Health and Environment
 Colorado School Medicaid Consortium
 Children’s Hospital
 Colorado Consumer Health Initiative
 Denver Public Schools
 Jefferson County Public Schools
 University of Colorado Health Sciences Center
 Doctor’s Care
 Denver Head Start
 March of Dimes
 Colorado Chapter of American Academy of Pediatrics
 Health District of Northern Larimer County
 Tri-County Health Department
 Community Health Services (Commerce City)
 Colorado Access
 Aponte and Hogan
 Colorado Association for School-based Health Care
 Colorado Association of Drug and Alcohol Service Providers
 Consulate General of Mexico
 Urban Peak
 People’s Clinic
 Fremont County Nursing Service
 Adams County District 50 Schools
 Aurora Public Schools
 Eastern CO Services for the Developmentally Disabled
 Jefferson County Department of Health and Environment
 Boulder Family Health Coalition
 Jeffco Healthcare Access Coalition
 El Paso County Dept. of Public Health
 MCPN
 Colorado Refugee Services Program

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State General Fund and Tobacco Settlement money, as well as federal matching funds. CHP+ is funded with 35% state funds and 65% federal funds. The federal government provides a \$2 match for every \$1 the state contributes to the program. This is the highest federal match available for Colorado's health programs. The state funds are appropriated out of the CBHP Trust Fund, which was established when CHP+ was created. Beginning in 2000, the Colorado Legislature directed a portion of Colorado's federal tobacco settlement dollars into the CBHP Trust Fund, expanding CHP+ and providing dental benefits for children.

CBHP Trust Fund Status

The table below shows CBHP Trust Fund appropriated amounts for FY 2002-03 and FY 2003-04. FY 2004-05 appropriation reflects the same appropriation level as FY 2003-04.

	FY 2002-03 Actual	FY 2003-04 Estimate	FY 2004-05 Request
Beginning Balance	\$9,922,113	\$6,183,068	\$1,446,549
Revenues			
General Fund	2,598,210	1,143,543	5,265,807
Annual Enrollment Fees	217,520	233,046	220,220
Tobacco Settlement Funds	17,500,000	18,476,541	17,475,477
Interest Earnings	977,733	901,537	845,160
Other (Year End Adjustments)	379,104	0	0
Federal Matching Funds	40,335,580	42,773,000	43,239,002
Total Revenues	\$62,008,147	\$63,527,667	\$67,045,066
Total Expenditures	\$65,747,193	\$68,264,186	\$68,492,214
Ending Balance	\$6,183,068	\$1,446,549	\$1
Reserves Increase/Decrease	(\$3,739,046)	(\$4,736,519)	(\$1,446,548)

Source: Colorado Legislature's Joint Budget Committee, 12/8/03 Department of Health Care Policy and Financing Briefing

Looking to the Future

The enactment of CHP+ in Colorado has been deemed a success by government, policy makers, and families. CHP+ has provided comprehensive health care coverage to nearly 100,287 children who previously had no access to other coverage. Studies have proven that families without insurance are more likely to delay seeking medical treatment or wait until illnesses are severe before utilizing medical services, which typically result in the need for costlier treatments and outcomes. Thanks to CHP+, a significant population of Colorado's children now have access to regular doctor visits and preventive health care services.

Despite the success of CHP+, there are several issues and opportunities for improvement:

- CHP+ is considered to be a "counter cyclical" program, meaning it is intended to grow, or serve the most individuals, during economically challenging times. Current appropriations for CHP+ have not kept pace with the growing enrollment and eligible population. This has triggered an enrollment cap for children and the suspension of the prenatal program for women. It will require action from the Colorado Legislature and Governor to reverse or remedy both of these changes.
- It is estimated that there are approximately 30,000 more children and 3,000 pregnant women in Colorado who are eligible for CHP+ but not enrolled. The Colorado Legislature's Joint Budget Committee has indicated that current CHP+ appropriations will not be sufficient to maintain the current caseload beyond FY 2003-04. Clearly, additional funds will need to be appropriated to avoid future programmatic and enrollment cuts, let alone to meet the needs of additional uninsured children.
- Because of the ability to leverage federal matching funds for CHP+ (\$2 federal dollars for each \$1 that Colorado spends), limiting Colorado's CHP+ appropriations diverts a significant amount of much-needed federal support away from the state budget.

Colorado Covering Kids and Families (CKF) is a coalition of organizations dedicated to promoting access to public health insurance programs for children and families in Colorado. This series of educational fact sheets is intended to provide Colorado's families and policy makers and other interested individuals or organizations with a factual summary of important health care issues. Please visit www.cchn.org/ckf for information and additional fact sheets.