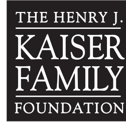

THE KAISER COMMISSION ON
Medicaid and the Uninsured

SCHIP PROGRAM ENROLLMENT:
June 2005 UPDATE

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The Kaiser Commission on Medicaid and the Uninsured is the Henry J. Kaiser Family Foundation's largest operating program and serves as the organizing vehicle for the Foundation's work on health care for low-income people. The Commission functions as a policy institute and forum for analyzing health care coverage and access for the low-income population and assessing options for reform. The Commission, begun in 1991, strives to bring increased public awareness and expanded analytic effort to the policy debate over health coverage and access, with a special focus on Medicaid and the uninsured. The Commission is based at the Foundation's Washington, DC office. The Foundation is an independent national health care philanthropy headquartered in Menlo Park, California, and is not associated with Kaiser Permanente or Kaiser Industries.

Acknowledgements

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Dennis Roberts of Health Management Associates assisted with the compilation and organization of the data. His work was excellent, as always, and very much appreciated.

SCHIP Enrollment in June 2005

In June 2005, the number of children enrolled in the State Children's Health Insurance Program (SCHIP) across all states and the District of Columbia reached a record high monthly enrollment of 4,027,000.[1] The first time monthly enrollment exceeded four million children was in December 2004.[2] Between June 2004 and June 2005, enrollment grew by 2.2% or 85,000 children. This growth reversed the decline in enrollment of 55,000 children that was recorded between June 2003 and June 2004 (State Fiscal Year 2004).

> ### *Key Findings*
>
> *National monthly enrollment in the State Children's Health Insurance Program (SCHIP) reached a record high of 4,027,000 in June 2005, reversing a one year decline in enrollment that occurred between June 2003 and June 2004.*
>
> *In 2005, state economies and revenues improved, allowing some states to ease restrictions that they had previously adopted during the economic downturn that slowed or reduced SCHIP enrollment growth. SCHIP enrollment increased between June 2004 and June 2005 in all but nine states, including increases of 10 percent or more in 19 states and 20 percent or more in four states. Large increases occurred in California (94,000), Georgia (22,000), Illinois (16,000), New Jersey, North Carolina and Virginia (each up over 14,000).*
>
> *Despite this progress, Florida and Texas continued policies that limited their programs' reach, contributing to enrollment declines of 127,000 in Florida and 33,000 in Texas between June 2004 and June 2005.*

Adopted as part of the Balanced Budget Act of 1997 (P.L. 105-33) to expand health insurance coverage for low-income children, SCHIP is still a relatively young program. States quickly implemented their programs, with the first enrollment occurring in 1998 in Alabama less than six months after legislative enactment. Many states adopted SCHIP in the following years and, national enrollment increased steadily to 3.1 million in June 2001 and 3.6 million in June 2002 (Figure 1). However, the rate of enrollment growth then slowed significantly due to declining state revenues during the economic downturn that led states to adopt policies restricting and reducing enrollment growth. In state fiscal year

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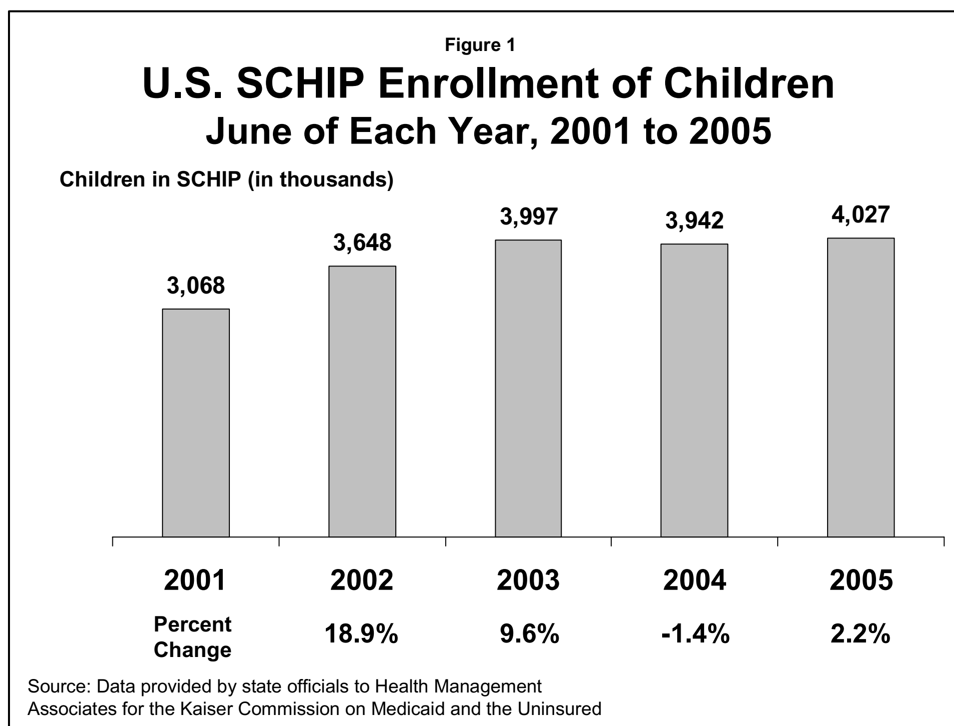
[1] This is the latest in a series of reports on SCHIP enrollment trends. This report focuses on June-to-June changes. Enrollment counts in this report update those in historical periods as shown in earlier reports. The immediately previous report focused on December-to-December changes; see: Vernon K. Smith and David M. Rousseau, *SCHIP Enrollment in 50 States: December 2004 Update,* Kaiser Commission on Medicaid and the Uninsured, September 2005. Publication # 7348. Available at: http://www.kff.org/medicaid/7348.cfm

[2] Note that this report now reflects data for the Medicaid expansion SCHIP component for Arkansas. Pursuant to a Section 1115 waiver agreement, Arkansas claims Title XXI funding retroactively and had been unable to provide enrollment counts for previous reports. Historical enrollment data shown in previous reports are updated in this report reflect Arkansas data.



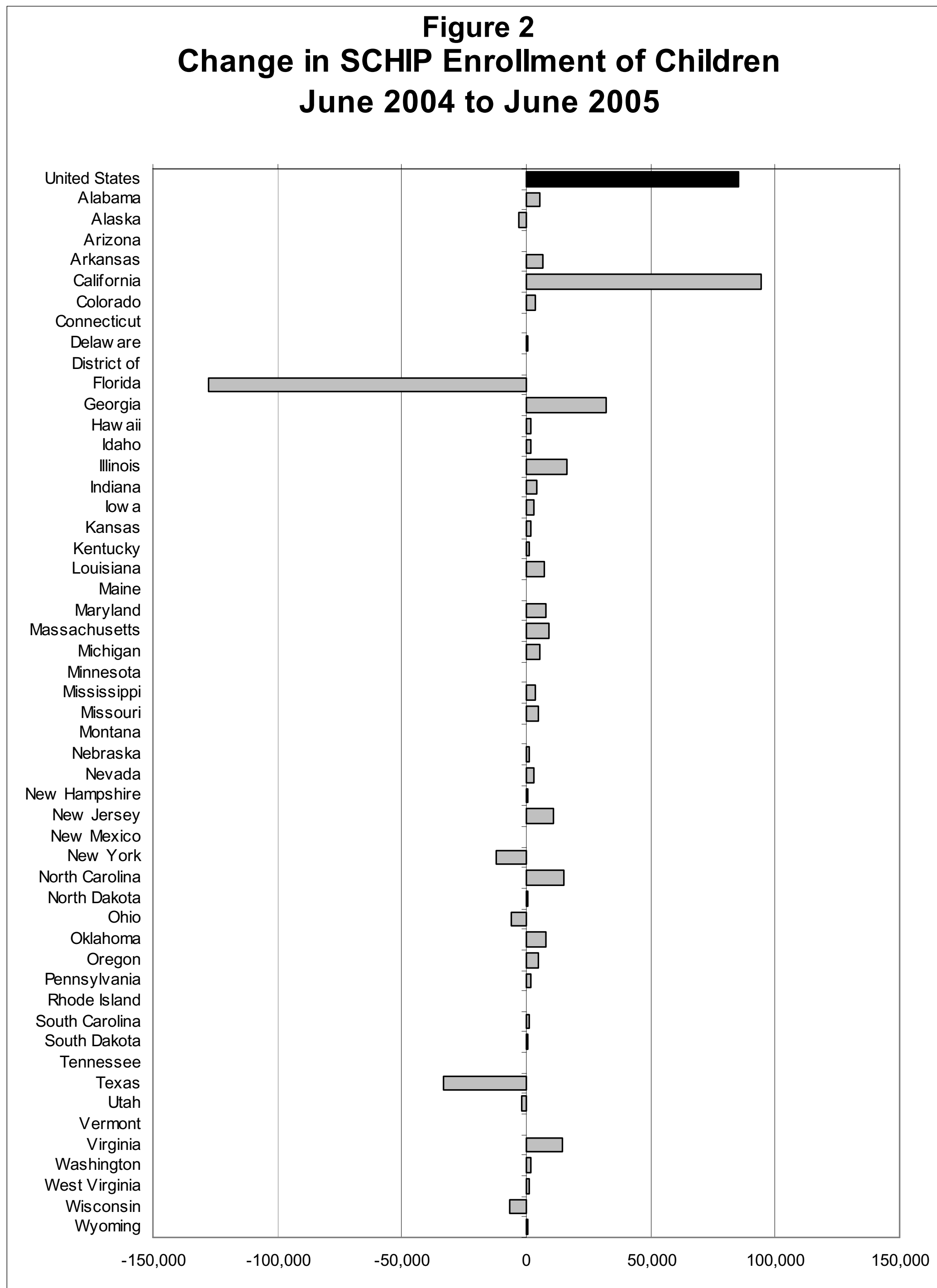
2003, enrollment growth slowed to 9.6 percent, half the rate of growth in the previous year. Enrollment then declined by another 1.4 percent in state fiscal year 2004.[3]

The slowdown and then drop in enrollment reflected state efforts to control expenditures during a time of dramatic declines in tax revenues. Even with a favorable federal matching rate for SCHIP expenditures, SCHIP was not immune to budget cuts in some states. During the recession, many states limited program growth by instituting enrollment caps, increasing premiums and cost sharing, restricting eligibility, or changing enrollment procedures.[4] In particular, states scaled back outreach efforts that had been successful in locating and enrolling uninsured children. Beginning in 2005, as state revenues rebounded, many states began to ease or reverse program and outreach restrictions that they had previously enacted.[5]

[3] State fiscal years end in June for 46 states. Fiscal years end in March in New York, in August in Texas, and in September in Alabama, Michigan and the District of Columbia. In this report the term “state fiscal year” is used to refer to the June to June annual period.
[4] See Ian Hill, Holly Stockdale, and Brigette Courtot, *Squeezing SCHIP: States Use Flexibility to Respond to the Ongoing Budget Crisis*, The Urban Institute, June 2004. Available at http://www.urban.org/url.cfm?ID=311015
[5] See Donna Cohen Ross and Laura Cox, *In a Time of Growing Need: State Choices Influence Health Coverage Access for Children and Families,* Kaiser Commission on Medicaid and the Uninsured, October 2005. Publication # 7393. Available at: http://www.kff.org/medicaid/7393.cfm

Enrollment Growth by State, June 2005

Each state designs and administers its own SCHIP program within federal guidelines, resulting in state specific programs unique in their approach to coverage, payment rates and outreach efforts. Consequently, the growth in SCHIP enrollment varies considerably across states, reflecting each state's policy choices and economic situation (Figure 2 and Table 1).



Source: Compiled by Health Management Associates from state enrollment reports. Prepared for the Kaiser Commission on Medicaid and the Uninsured.

Table 1

Total SCHIP Enrollment, June 2001 to June 2005

	Program Type *	Monthly Enrollment					Percent Change			
		Jun-01	Jun-02	Jun-03	Jun-04	Jun-05	Jun 01 to Jun 02	Jun 02 to Jun 03	Jun 03 to Jun 04	Jun 04 to Jun 05
United States		**3,068,333**	**3,647,754**	**3,997,123**	**3,941,608**	**4,027,099**	**18.9%**	**9.6%**	**-1.4%**	**2.2%**
Alabama	S	41,785	53,135	60,383	59,019	64,342	27.2%	13.6%	-2.3%	9.0%
Alaska	M	11,349	12,961	12,290	14,243	11,366	14.2%	-5.2%	15.9%	-20.2%
Arizona	S	51,838	48,599	50,019	50,373	50,638	-6.2%	2.9%	0.7%	0.5%
Arkansas	M	1,852	799	45,982	54,273	61,102	-56.9%	NA	18.0%	12.6%
California	C	478,930	606,546	720,044	722,089	816,406	26.6%	18.7%	0.3%	13.1%
Colorado	S	35,059	43,679	53,118	37,069	40,696	24.6%	21.6%	-30.2%	9.8%
Connecticut	S	10,967	13,816	14,092	15,639	15,696	26.0%	2.0%	11.0%	0.4%
Delaware	C	3,466	4,082	4,524	3,461	4,360	17.8%	10.8%	-23.5%	26.0%
District of Columbia	M	2,077	3,284	3,854	4,391	4,573	58.1%	17.4%	13.9%	4.1%
Florida	C	221,679	246,432	317,683	331,716	203,983	11.2%	28.9%	4.4%	-38.5%
Georgia	S	132,498	164,896	183,565	196,934	228,801	24.5%	11.3%	7.3%	16.2%
Hawaii	M	5,545	8,146	10,071	12,261	14,108	46.9%	23.6%	21.7%	15.1%
Idaho	C	11,113	12,113	10,706	11,780	13,787	9.0%	-11.6%	10.0%	17.0%
Illinois	C	62,420	71,407	80,563	119,857	135,984	14.4%	12.8%	48.8%	13.5%
Indiana	C	47,539	48,342	56,880	64,403	68,939	1.7%	17.7%	13.2%	7.0%
Iowa	C	21,337	26,010	29,057	32,157	34,913	21.9%	11.7%	10.7%	8.6%
Kansas	S	22,108	26,525	30,023	33,024	34,611	20.0%	13.2%	10.0%	4.8%
Kentucky	C	54,429	52,492	50,719	48,102	49,377	-3.6%	-3.4%	-5.2%	2.7%
Louisiana	M	54,343	74,407	88,129	100,925	107,914	36.9%	18.4%	14.5%	6.9%
Maine	C	9,816	13,010	12,663	13,967	13,989	32.5%	-2.7%	10.3%	0.2%
Maryland	C	89,488	102,408	112,758	87,258	95,018	14.4%	10.1%	-22.6%	8.9%
Massachusetts	C	55,876	50,094	56,261	56,208	65,289	-10.3%	12.3%	-0.1%	16.2%
Michigan	C	49,712	44,477	51,424	50,876	56,195	-10.5%	15.6%	-1.1%	10.5%
Minnesota	C	15	23	19	1,982	2,122	53.3%	-17.4%	NA	7.1%
Mississippi	S	43,187	52,456	56,690	64,516	68,068	21.5%	8.1%	13.8%	5.5%
Missouri	M	73,494	75,078	84,824	88,893	93,730	2.2%	13.0%	4.8%	5.4%
Montana	S	9,700	9,350	9,550	10,914	10,908	-3.6%	2.1%	14.3%	-0.1%
Nebraska	M	7,817	10,712	22,611	22,188	23,132	37.0%	111.1%	-1.9%	4.3%
Nevada	S	18,823	24,138	23,323	26,100	28,836	28.2%	-3.4%	11.9%	10.5%
New Hampshire	C	3,723	4,966	5,971	6,532	7,022	33.4%	20.2%	9.4%	7.5%
New Jersey	C	77,049	95,468	92,170	104,165	115,222	23.9%	-3.5%	13.0%	10.6%
New Mexico	M	6,610	9,838	10,675	10,706	10,647	48.8%	8.5%	0.3%	-0.6%
New York	C	486,194	550,402	480,606	438,892	426,529	13.2%	-12.7%	-8.7%	-2.8%
North Carolina	S	59,968	84,286	100,436	115,571	130,467	40.6%	19.2%	15.1%	12.9%
North Dakota	C	2,546	2,920	3,307	3,586	4,136	14.7%	13.3%	8.4%	15.3%
Ohio	M	78,420	86,106	125,026	128,877	122,796	9.8%	45.2%	3.1%	-4.7%
Oklahoma	M	38,000	43,423	47,295	46,576	54,427	14.3%	8.9%	-1.5%	16.9%
Oregon	S	17,551	18,133	18,741	20,443	25,014	3.3%	3.4%	9.1%	22.4%
Pennsylvania	S	110,890	120,408	131,695	134,426	136,511	8.6%	9.4%	2.1%	1.6%
Rhode Island	C	11,432	10,890	9,865	11,459	11,756	-4.7%	-9.4%	16.2%	2.6%
South Carolina	M	46,581	52,112	49,994	51,479	52,561	11.9%	-4.1%	3.0%	2.1%
South Dakota	C	6,729	8,307	9,324	9,805	10,610	23.5%	12.2%	5.2%	8.2%
Tennessee	-	10,069	2,074	-	-	-	-79.4%	-	-	-
Texas	S	369,946	529,980	512,986	359,967	326,473	43.3%	-3.2%	-29.8%	-9.3%
Utah	S	23,690	21,931	23,777	30,192	28,268	-7.4%	8.4%	27.0%	-6.4%
Vermont	S	2,659	2,982	3,029	2,897	2,992	12.1%	1.6%	-4.4%	3.3%
Virginia	C	33,466	42,293	52,327	58,676	73,187	26.4%	23.7%	12.1%	24.7%
Washington	S	4,150	6,869	7,305	10,862	12,956	65.5%	6.3%	48.7%	19.3%
West Virginia	S	20,923	20,043	21,828	23,594	24,515	-4.2%	8.9%	8.1%	3.9%
Wisconsin	M	26,628	31,861	35,785	34,957	28,006	19.7%	12.3%	-2.3%	-19.9%
Wyoming	S	2,847	3,045	3,156	3,328	4,121	7.0%	3.6%	5.4%	23.8%

** M = Medicaid Expansion Program (12) / S = Separate Program (18) / C = Combined Program (20) SCHIP program classification is as of June 2005.*

Note: Increases in excess of 1,000% reported as NA.

Source: Compiled by Health Management Associates from state enrollment reports. Prepared for the Kaiser Commission on Medicaid and the Uninsured.

Between June 2004 and June 2005, enrollment increased in all but nine states and growth was 10 percent or more in over one-third of the states. Enrollment growth exceeded 22 percent in four states (Table 1).

California, the nation's largest SCHIP program, reported the greatest increase in enrollment, adding an additional 94,000 children to the program between June 2004 and June 2005. Large annual increases exceeding 10,000 additional children also occurred in Georgia (+31,900), Illinois (+16,100), New Jersey (+11,100), North Carolina (+14,900), and Virginia (+14,500). The largest percentage increases occurred in Delaware (+26 percent), Oregon (+22 percent), Virginia (+25 percent) and Wyoming (+24 percent).

The 19 states with enrollment growth of ten percent or more between June 2004 and June 2005 are shown in Table 2.

Table 2

States with SCHIP Enrollment Growth At or Above 10% for Children

June 2004 to June 2005

	Monthly Enrollment		**Enrollment Growth**	**Percent Change**
State *(ordered by percent change)*	**Jun-04**	**Jun-05**	**6/04-6/05**	**6/04-6/05**
Delaware	3,461	4,360	899	26%
Virginia	58,676	73,187	14,511	25%
Wyoming	3,328	4,121	793	24%
Oregon	20,443	25,014	4,571	22%
Washington	10,862	12,956	2,094	19%
Idaho	11,780	13,787	2,007	17%
Oklahoma	46,576	54,427	7,851	17%
Georgia	196,934	228,801	31,867	16%
Massachusetts	56,208	65,289	9,081	16%
North Dakota	3,586	4,136	550	15%
Hawaii	12,261	14,108	1,847	15%
Illinois	119,857	135,984	16,127	13%
California	722,089	816,406	94,317	13%
North Carolina	115,571	130,467	14,896	13%
Arkansas	54,273	61,102	6,829	13%
New Jersey	104,165	115,222	11,057	11%
Nevada	26,100	28,836	2,736	10%
Michigan	50,876	56,195	5,319	10%
Colorado	37,069	40,696	3,627	10%

Source: Compiled by Health Management Associates from state enrollment reports. Prepared for the Kaiser Commission on Medicaid and the Uninsured.

Over the same 12 month period between June 2004 and June 2005, enrollment declined in nine states. Large drops in the number of children enrolled occurred in Florida, New York and Texas. Large percentage drops also occurred in Alaska and Wisconsin (Table 3).

Table 3

States with SCHIP Enrollment Declines

June 2004 to June 2005

State *(ordered by percent change)*	**Monthly Enrollment**		**Enrollment Growth**	**Percent Change**
	Jun-04	**Jun-05**	**6/04-6/05**	**6/04-6/05**
Florida	331,716	203,983	-127,733	-39%
Alaska	14,243	11,366	-2,877	-20%
Wisconsin	34,957	28,006	-6,951	-20%
Texas	359,967	326,473	-33,494	-9%
Utah	30,192	28,268	-1,924	-6%
Ohio	128,877	122,796	-6,081	-5%
New York	438,892	426,529	-12,363	-3%
New Mexico	10,706	10,647	-59	-1%
Montana	10,914	10,908	-6	0%

Source: Compiled by Health Management Associates from state enrollment reports. Prepared for the Kaiser Commission on Medicaid and the Uninsured.

In the state fiscal year ending June 2005, the largest single drop in SCHIP enrollment occurred in Florida, where enrollment fell from 331,716 in June 2004 to 203,983 in June 2005, a decrease of over 127,000 or 39 percent. This drop was attributed to new income documentation requirements and a decision to replace continuous enrollment with a limited open enrollment period.

The number of children enrolled in SCHIP has continued to decline in Texas since budget-driven program restrictions began in 2003. Enrollment peaked at almost 530,000 in June 2002, dropped to 513,000 in June 2003, then to 360,000 in June 2004 and to 326,000 in June 2005. In three years, the total reduction in Texas SCHIP enrollment exceeded 203,000 children. In Alaska, enrollment in Denali KidCare has declined slowly due to eligibility standards that have been frozen since 2003. In Wisconsin, the enrollment decline was a result of the adoption of premiums at five percent of net income for families with incomes above 150 percent of the poverty level.

Enrollment Growth by Program Type, June 2004 to June 2005

States can choose to operate their SCHIP programs as a Medicaid expansion program (12 states), as a separate stand-alone program (18 states), or they can operate both types of programs simultaneously (20 states). Nationally, there were 32 Medicaid expansion programs and 38 separate programs administering SCHIP as of June 2005. During state fiscal year 2005, Idaho added a stand-alone program, changing its classification to a combination state. Arkansas changed classification to a combination state as well when it began reporting Medicaid expansion enrollment based on a special claiming procedure allowed under its Section 1115 waiver.[6]

In June 2005, 2.8 million children were enrolled in separate programs and 1.2 million in Medicaid expansion programs. Despite representing only 30% of the SCHIP population, expansion programs accounted for all of the growth between June 2004 and June 2005. While Medicaid expansion enrollment increased by 86,000 or eight percent, enrollment in separate programs dropped by roughly 1,000 children (due almost entirely to large declines in Florida and Texas) resulting in the net increase of 85,000 children enrolled in SCHIP.

Adults with Health Coverage Provided through SCHIP

Through either a Section 1115 waiver or a state plan amendment, several states have opted to use unspent SCHIP funds to finance health coverage for adults. As of June 2005, a total of nine states reported SCHIP-financed coverage for 334,000 adults (Table 4). This was a reduction in enrollment of 20,000 adults or 5.7 percent from June 2004.

From June 2004 to June 2005, adult enrollment in SCHIP more than doubled in Illinois, and rose modestly in Arizona and the District of Columbia. However, these increases were more than offset by enrollment declines in Michigan, Minnesota, New Jersey, Rhode Island, and Wisconsin – with Michigan and New Jersey accounting for 90% of the total decline.

[6] Arkansas Medicaid expansion enrollment is included in data in this report, but was not available to include in previous reports. National totals for previous periods are updated in this report to reflect Arkansas data.

Table 4

SCHIP Enrollment of Adults by State

December 2003 to June 2005

	Monthly Enrollment						% Change		
	Dec-03	Jun-04	Sep-04	Dec-04	Mar-05	Jun-05	Dec 03 to Dec 04	Dec 04 to Jun 05	Jun 04 to Jun 05
United States	**268,246**	**353,815**	**352,429**	**335,458**	**344,092**	**333,684**	**25.1%**	**-0.5%**	**-5.7%**
Arizona	45,298	44,344	46,475	45,942	47,156	48,385	1.4%	5.3%	9.1%
Arkansas	-	-	297	630	883	1,039	NA	64.9%	NA
District of Columbia	-	9,336	9,268	9,352	9,527	9,773	NA	4.5%	4.7%
Illinois	41,594	51,458	79,537	84,862	95,601	103,879	104.0%	22.4%	101.9%
Michigan	-	89,753	78,697	62,715	61,673	46,874	NA	-25.3%	-47.8%
Minnesota	25,011	24,667	24,323	23,203	23,830	23,954	-7.2%	3.2%	-2.9%
New Hampshire	6,431	-	-	-	-	-	-100.0%	NA	NA
New Jersey	91,448	78,588	61,729	57,035	54,739	51,149	-37.6%	-10.3%	-34.9%
Rhode Island	13,508	14,036	14,022	14,328	14,381	13,878	6.1%	-3.1%	-1.1%
Wisconsin	44,956	41,633	38,081	37,391	36,302	34,753	-16.8%	-7.1%	-16.5%

Source: Compiled by Health Management Associates from state enrollment reports. Prepared for the Kaiser Commission on Medicaid and the Uninsured.

Policy and Program Changes to SCHIP Programs during State Fiscal Year 2005

States implemented a number of SCHIP policy changes during fiscal year 2005 affecting SCHIP enrollment caps, premiums or enrollment fees, eligibility levels and covered benefits. While most policy changes were implemented at the beginning of each state fiscal year, this report focuses only on those changes occurring from Dec 2004 – June 2005. Please see previous report in this series for information on policy changes from June 2004 – December 2004.[7]

Enrollment caps or freezes on new enrollments: Whereas five states reported enrollment caps in 2004, as of June 2005, only three states continue to institute enrollment caps/freezes:

- Florida maintained its policy of two open enrollment periods per year (January and September), with enrollment contingent on funding. Based on available funding, the enrollment cap was set at 389,515. Due to the limited enrollment periods and new documentation requirements, actual enrollment declined throughout the year and the cap itself did not limit the number of children enrolled in Florida SCHIP.
- Montana maintained its cap of 10,900 children throughout fiscal year 2005. Enrollment remained almost exactly at maximum capacity during the year. The cap was eliminated effective July 1, 2005.

[7] State fiscal years end in June for 46 states. Fiscal years end in March in New York, in August in Texas, and in September in Alabama, Michigan and the District of Columbia.

- Utah had a cap of an average enrollment of 28,000 children throughout its fiscal year 2005. This approach resulted in large swings in enrollment levels, with rises during open enrollment periods and plunges during other months of the year.

***Premiums or enrollment fees*:** As of June 2005, 31 states required payment of premiums or an enrollment fee for SCHIP. Typically, the amount was based on a percentage of the federal poverty level and was often scaled to the number of children in a family. See Appendix A for detailed June 2005 state policies on premiums and enrollment fees.

***Eligibility*:** From December 2004 through June 2005, no state reported changes in program eligibility. All eligibility policy changes were implemented earlier in the fiscal year.

Covered benefits and copays: During the first half of calendar year 2005, New Hampshire was the only state to report instituting a formulary for covered prescription drugs in SCHIP.

***Other Policy Changes*:** In the period from December 2004 through June 2005, six states instituted policy changes in their application, renewal and enrollment processes.

Of these, only one resulted in a more restrictive process:

- Mississippi required face to face interviews for applications and re-determinations, along with proof of birth for all SCHIP applicants.

Five states adopted policies designed to simplify and streamline the eligibility and enrollment process:

- Florida adopted continuous open enrollment, replacing closed enrollment with two 30-day open enrollment periods each year. Enrollment declines were attributed to the effects of documentation requirements adopted in 2004.
- Idaho gained approval from CMS for premium assistance for up to 1,000 adults through a HIFA waiver.
- New York implemented 12-month continuous eligibility for children in SCHIP.
- North Dakota blended enrollment processing and a joint application for three coverage programs: Medicaid, Health Steps (SCHIP) and the Caring for Children program through Blue Cross/Blue Shield of North Dakota. This allowed for enrollment to be determined at the local offices and central intake/enrollment at the state office.

- Washington implemented 12-month eligibility certifications (from a previous requirement of 6-month certifications).

Factors Influencing SCHIP Enrollment in 2005

State officials were asked to indicate factors that they believed had influenced SCHIP enrollment in their state over the past year. The reasons most commonly cited were grouped into two categories: the impact of the economy and policy changes or other factors.

***Impact of the economy on SCHIP enrollment*:** 18 states identified the economy as a factor affecting changes in the number of children enrolled in their SCHIP program. In 2 of these 18 states, the improving economy was seen as a factor contributing to decreasing SCHIP enrollment. In 16 states, the economy was listed as a factor contributing to higher enrollment in SCHIP. State comments include:

> *"We continue to experience a growth in enrollment, despite the increase in premiums and the stricter premium payment policy. This tells us there is need for health coverage."*
>
> *"Businesses within [the state] are either eliminating health care benefits altogether or reducing the amount of coverage and availability of coverage to family members. This pushes more children to public programs for health care coverage."*
>
> *"The increasing cost of private health insurance makes coverage unaffordable for families and employers alike."*

Impact of Policy Changes and Other Factors on SCHIP Enrollment:
States that implemented new verification requirements or increased premiums earlier in state fiscal year 2005 cited the impact of those changes on their SCHIP enrollment. For example, Arizona attributed five months of consecutive declines in enrollment to their July 2004 adoption of a new monthly premium for families with incomes between 100 percent and 150 percent of the federal poverty level. A new face to face interview requirement in Mississippi led to decreasing enrollment rates as the costs associated with the interview (transportation and time away from work) were prohibitive for the parents of potential eligible enrollees. Texas indicated that about 80 percent of their enrollment decline was due to policy changes enacted for the 2004-2005 biennium budget.[8]

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[8] See Anne Dunkelberg and Molly O'Malley, *Children's Medicaid and SCHIP in Texas: Tracking the Impact of Budget Cuts*, The Kaiser Commission on Medicaid and the Uninsured, July 2004. Available at http://www.kff.org/medicaid/7132.cfm

On a more positive note, some states adopted policy initiatives that were intended to increase coverage. Louisiana, Washington and Virginia conducted outreach campaigns that boosted SCHIP enrollment levels. For example, in Virginia, the Governor personally appeared at media events promoting SCHIP. Massachusetts increased coverage for children by implementing a single point of intake, eligibility screening and referral services known as the Virtual Gateway. Additionally, Washington increased enrollment by implementing a new outreach strategy in partnership with the non-profit group Community Minded Enterprises.

Future Outlook for SCHIP Policies in Fiscal Year 2006

Policy changes in effect for state fiscal year 2006 that provide an indication of future trends and factors influencing SCHIP enrollment include:

Policy changes in fifteen states that were intended to increase coverage by:

- Expanding benefit coverage options (Alabama, Indiana, Pennsylvania, Texas),
- Increasing eligibility levels (Colorado),
- Adopting continuous eligibility (Florida, New Jersey, New York),
- Extending a grace period for payment of premiums and shortening the waiting period for reinstatement (Georgia),
- Eliminating a penalty period for failure to pay premiums (Michigan),
- Eliminating a requirement for copayments for some eligibility groups for some services (Missouri, Virginia),
- Reducing the required period of uninsurance (New Jersey),
- Adding a Medicaid expansion program (North Carolina),
- Implementing continuous enrollment in place of specific enrollment periods (Utah); and
- Expanding premium assistance programs (Idaho, Virginia)

Four states anticipated restrictions in SCHIP for fiscal year 2006 that will affect coverage and enrollment. Examples of these policies include: more restrictive coverage of dental services (Georgia), more restrictive eligibility policies (Missouri), premium requirements (Missouri), and premiums increases (Indiana, Vermont).

Projected SCHIP Enrollment for Fiscal Years 2006, 2007 and 2008

SCHIP officials were asked to indicate their projections of enrollment of children in their programs for June of 2006, 2007 and 2008. For the year ending in June 2006, 40 states indicated that they expected enrollment to increase on average by 6.8 percent. Thirty states were able to offer projections for June of 2006, 2007 and 2008. In these 30 states, the annual average rates of projected

enrollment growth were 7.8 percent for 2006, 6.0 percent for 2007 and 4.9 percent for 2008.

Summary and Conclusion

By June 2005, SCHIP provided health coverage for more than four million children. Throughout state fiscal year 2005 the number of children covered increased as the program reversed a one-year downward enrollment trend. The growth in 2005 was driven by increases in the number of children covered, including 19 states where annual enrollment growth exceeded ten percent. These increases offset declines in enrollment that occurred in large states such as Florida, New York and Texas.

Looking to the future, state SCHIP officials indicated that they expect SCHIP enrollment growth to continue. Based on data from 40 states that provided enrollment projections for 2006, states indicated an expectation that SCHIP enrollment would grow on average by almost 7 percent in fiscal year 2006. Based on data from 30 states, annual average rates of growth of roughly five percent or higher were reported through 2007 and 2008.

Data Definitions and Methodology

The data in this report are “point-in-time” data reflecting the number of children and adults enrolled in SCHIP programs in each state in the indicated month. For this report, state SCHIP officials provided data specifically for the months of March and June 2005. States were encouraged to review data included in previous reports in this series and to update data as appropriate. Each report reflects updated data provided by states for previous periods. The data for this report were requested in October 2005 and provided in November and December 2005 and January 2006.

The “point-in-time” data in this report differ from the “ever-enrolled” count of enrollees, such as those provided in reports issued by the federal Centers for Medicare and Medicaid Services (CMS). The most recent annual report from CMS was for federal fiscal year 2005, the year ending in September 2005 (issued on July 12, 2006). CMS reported a total of 6,114,018 children enrolled at any point in time and for any length of time during that year. CMS reports also show the number of children enrolled on the last day of each quarter. The report for federal fiscal year 2005, Quarter 3 shows an “ever-enrolled” count for the quarter of 4,294,521. The count for the final day of the quarter (i.e., on June 20, 2005) was 3,863, 517. In contrast, the number of children enrolled in the month of June 2005 per data provided for this report was 4,027,099.

Differences between the federal reports issued by CMS and this report may occur when states provide an enrollment count for a day other than the final day of the quarter, or when states provide an updated enrollment count, such as may occur with retroactive eligibility for a Medicaid expansion SCHIP program, or when a state does not provide a count to CMS within timeframes. The annual count of children ever-enrolled will always exceed the number enrolled at any point in time, as long as there is turnover in program enrollment during the year. The greater the turnover, the greater will be the difference between these two measures of program enrollment. Recent experience shows that approximately one-third of SCHIP enrollees leave the program during a year. Both point-in-time and ever-enrolled enrollment counts are useful measures that provide insight into issues of coverage, retention and turnover among SCHIP enrollees over time.

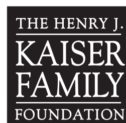
Appendix A: SCHIP Premiums and Enrollment Fees in June 2005

	Requires Premiums or Enrollment Fees		Notes
State	***Yes (31)***	***No (20)***	
Alabama	✓		$50 per child for families from 100-150% FPL $100 per child for families 151-200% FPL Maximum of 3 children per family pay premiums. No premiums for Native Americans.
Alaska		✓	
Arizona	✓		100 -150% FPL: $10 for one child; $15 for two or more children; $15 per parent. 151-175% FPL: $20 for one child; $30 for two or more children. $20 per parent; 175-200% FPL: $25 one child, $35 two or more children; $25 per parent.
Arkansas		✓	
California	✓		Based upon income. Premiums range from $4-$15 per month per child with a family maximum of $45 per month. 25% discount for those using Electronic funds transfer.
Colorado	✓		151-185% FPL: $25 per year for one child, $35 per year for two or more children.
Connecticut	✓		Band 1 = 185-235% FPL: No premium Band 2 = 235-300% FPL: $30 per child per month, $50 per month two or more children. Band 3 = 300%+ FPL: based on group rate between $158-$230 per child per month.
Delaware	✓		$10, $15, $25 per family per month based upon income.
District of Columbia		✓	
Florida	✓		<150% FPL: $15 per month per family >150% FPL: $20 per month per family
Georgia	✓		FPL: One Child Family Cap 100-150%: $10.00 $15.00 151-160%: $20.00 $40.00 161-170%: $22.00 $44.00 171-180%: $24.00 $48.00 181-190%: $26.00 $52.00 191-200%: $28.00 $56.00 201-210%: $29.00 $58.00 211-220%: $31.00 $62.00 221-230%: $33.00 $66.00 231-235%: $35.00 $70.00
Hawaii		✓	
Idaho	✓		$15 per month per child
Illinois	✓		Children with income greater than or equal to 150% FPL: $15 for one child, $25 for two, $30 for three; $35 for four; $40 for five or more children, per family per month.
Indiana	✓		$11-$16.50 per month 150-175% FPL, $16.50-$24.75 for 175-200% FPL.
Iowa	✓		$10 per child per month; $20 per family (more

State	Requires Premiums or Enrollment Fees		Notes
	Yes (31)	No (20)	
			than one child) per month > 150% FPL.
Kansas	✓		$20 per month per family for families with income between 151-175% of FPL, $30 per month per family for families 176-200% FPL
Kentucky	✓		$20 per month per family with incomes > 150% FPL
Louisiana		✓	
Maine	✓		$8-$64 per month depending upon family size and income.
Maryland	✓		$37 PFPM 185-200% FPL; $40 PFPM 200-250% FPL; $50 PFPM 250-300% FPL.
Massachusetts	✓		Medicaid expansion: $12 per child per month with family maximum of $15 per month. Separate SCHIP above 150% FPL: $12 per month per child with family maximum of $36
Michigan	✓		$5 per family per month.
Minnesota	✓		Premiums are determined on a sliding scale based upon income and family size, and apply only to MinnesotaCare parents and caretakers covered under the Section 1115 waiver.
Mississippi		✓	
Missouri	✓		226-300% FPL: $62-$252 per month, based on income and family size.
Montana		✓	
Nebraska		✓	
Nevada	✓		Based upon family size and income: 36 - 150% FPL: $15 151-175% FPL: $35 176-200% FPL: $70
New Hampshire	✓		185-250% FPL: $25 per child per month with $100 max per month 250-300% FPL: $45 per child per month with $135 max per month.
New Jersey	✓		150 - 200% FPL: $17 per month per family 201 - 250% FPL: $34 per month per family 251 - 300% FPL: $68 per month per family 301 - 350% FPL: $113.50 per month per family
New Mexico		✓	
New York	✓		$9 to $15 per child, up to maximum $27 / $45 per family, based on income
North Carolina	✓		Enrollment fee of $50 per child, or maximum of $100 per family
North Dakota		✓	
Ohio		✓	
Oklahoma		✓	
Oregon		✓	
Pennsylvania		✓	
Rhode Island	✓		150-185% FPL: $61 per family per month 185-200% FPL:$77 per family per month 200-250% FPL: $92 per family per month

State	Requires Premiums or Enrollment Fees		Notes
	Yes (31)	No (20)	
South Carolina		✓	
South Dakota		✓	
Tennessee		✓	
Texas	✓		Enrollment fee for each six months. 133 – 150% FPL: $25 per family 151 – 185% FPL: $35 per family 186 – 200% FPL: $50 per family
Utah	✓		$25 per quarter per family
Vermont	✓		$70 per month per family
Virginia		✓	
Washington	✓		$15 per child per month to maximum of $45 per month per household.
West Virginia		✓	
Wisconsin	✓		5% of net income for those at or above 150% of FPL.
Wyoming		✓	

Note: Information in this table was provided by state SCHIP officials in November 2005 through January 2006 in response to the survey question: “As of June 2005, were there premiums or enrollment fees?”



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