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## FACT SHEET

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### **Children's Health Insurance Program Reauthorization Act (CHIPRA) Performance Bonuses for FY 2012**

#### **About CHIPRA Performance Bonuses**

- The Children's Health Insurance Program Reauthorization Act of 2009 (CHIPRA) established performance bonuses, giving states an incentive to support enrollment and retention of eligible children in Medicaid and CHIP and helping to defray the costs associated with increasing enrollment of the lowest income children.
- Federal funding for qualifying states is awarded annually in fiscal years 2009 through 2013.
- To qualify for a performance bonus, states must implement at least five out of eight specific program features aimed at streamlining their enrollment procedures to improve children's health coverage programs and must increase children's enrollment in Medicaid above a baseline level for the fiscal year.
- The eight program features include:
  - o 12-month continuous eligibility (Allows full-year enrollment regardless of income or other changes.)
  - o Elimination or reduced verification of asset requirements
  - o No requirement for an in-person interview
  - o Same application and renewal forms for Medicaid and CHIP
  - o Automatic/administrative renewal (pre-populated form; electronic verification used to streamline renewal)
  - o Presumptive eligibility (allows health care providers and other entities to screen and presumptively enroll children; children have access to needed benefits while the full eligibility process is being completed)
  - o Express Lane Eligibility (States can use eligibility findings from other public benefit programs, such as the Supplemental Nutrition Assistance Program (SNAP) to determine eligibility for Medicaid and CHIP.)
  - o Premium Assistance

- The amount of a state's bonus correlates with the increase in Medicaid enrollment: the more children enrolled, the higher the bonus. States that increase enrollment more than 10 percent above their baseline receive a larger (Tier 2) bonus.

### **CHIPRA Performance Bonuses Awarded for FY 2012**

- CMS is awarding nearly \$306 million in FY 2012 performance bonuses to 23 states.
- Of the 23 states receiving FY 2012 performance bonuses, 22 received awards in FY 2011. Utah is qualifying for a performance bonus for the first time this year.
- Awards ranged from just under \$1.5 million for Idaho to nearly \$43 million for Colorado.
- Enrollment of eligible children grew in all states that are receiving bonuses. Sixteen of the 23 states produced enrollment increases of more than 10 percent above their baselines, earning a larger Tier 2 award.
- Six of the 23 states earning performance bonuses in 2012 have continued to simplify their programs by adopting more than five of the required program features to improve access for eligible children and achieve administrative efficiencies. These states include: Colorado, Illinois, Iowa, Kansas, New Mexico and Oregon. Colorado and Kansas added simplifications during 2012.

### **Selected Performance Bonus Highlights**

- **Colorado** is receiving a performance bonus for the third time, and earned the highest bonus of any state. Although Colorado had already implemented the required five program features, the state continued to streamline its program, adding administrative renewal and Express Lane Eligibility this year, for a total of seven program features.
- **South Carolina** earned its second bonus this year and is augmenting its Express Lane Eligibility procedures. After its early success using SNAP and TANF data to easily renew coverage for children in Medicaid, South Carolina is now using that data to help get newly eligible children enrolled. The state's early reports show that families are enrolling and quickly signing up for managed care plans.
- **Utah's** performance bonus is the state's first. To qualify, the state eliminated its in-person interview requirement, coordinated its application and renewal procedures, adopted administrative renewal and adopted presumptive eligibility. While Utah retains an asset test for some families, it simplified the process by no longer requiring families to submit paper verification of assets they may have.

### **Nation's Record on Covering Children Advances**

- Studies show that enrollment in Medicaid and CHIP has been driving the nation's steady

progress on increasing the number of children with health insurance coverage.

- The Urban Institute found that [participation rates in Medicaid and CHIP](#) have continued to improve over time. In 2010, 85.8 percent of eligible children were enrolled, an increase from 84.3 percent in 2009 and 81.7 percent in 2008. As a result of the strong and improving participation rate, the number of children eligible for Medicaid and CHIP but not enrolled has declined from nearly 5 million in 2008 to 4.4 million in 2010.

For more information on the FY 2012 performance bonuses visit:

[http://www.insurekidsnow.gov/professionals/eligibility/performance\\_bonuses.html](http://www.insurekidsnow.gov/professionals/eligibility/performance_bonuses.html)