

CHIP Reauthorization Means Continued Health Coverage for Many DC Families

By Jodi Kwarciany

The 12,000 DC children who rely on CHIP—The Children’s Health Insurance Program—for their health coverage will continue to get the health care they need, now that this popular health coverage program has been reauthorized by Congress.

Without CHIP reauthorization, many families faced [uncertainty](#). CHIP provides affordable health coverage to children whose families make too much to qualify for Medicaid but not enough for private coverage. The program is paid for by the federal government but administered by the states. Having CHIP ensures that children can receive critical services like check-ups, immunizations and emergency services. In DC, the program covers around 12,000 children from families with incomes up to 319 percent of the federal poverty level, or about \$65,000 for a family of three.



Although CHIP has enjoyed bipartisan support since it began in 1997, Congress failed to pass a routine reauthorization this year, and federal funding ended September 30. States and DC kept their programs afloat for several months using unspent CHIP funds, but faced running out of money in 2018. Some states even [debated](#) freezing enrollment for their programs. In response, Congress passed a short-term, \$3 billion spending bill intended to keep CHIP funded through March, although several states still risked running out before then. This stopgap plan came even amid a new [estimate](#) by the Congressional Budget Office showing that a 10-year CHIP renewal would likely save the federal government money. That’s because children covered by CHIP would be eligible for more expensive Medicaid or marketplace coverage that would cost the federal government more than CHIP itself.

The good news is that Congress reached a deal on CHIP – although not before shutting down the government for three days. The program is now reauthorized for six years, continuing through Fiscal Year (FY) 2023. What’s different from before is that the federal match rate for CHIP will decrease over time, meaning states and DC will be on the hook for a greater share of the cost beginning in FY 2020. Currently, the District’s CHIP program is funded entirely by federal dollars, thanks to an enhanced federal matching rate established by the 2010 Affordable Care Act. By FY 2020 however, DC will need to cover nearly 10 percent of program costs, followed by about 20 percent of program costs in FY 2021 through FY 2023. What this will translate into in terms of actual dollars is yet to be determined.

What we do know is that CHIP has been integral over the last 20 years in reducing the children’s uninsured rate and helping kids maintain healthy lives. CHIP’s recent reauthorization is welcome, and overdue.

For questions about CHIP coverage in DC, contact DCMedicaidquestion@dc.gov.