

**Testimony before the Health and Human Services Committee
Representative Robin Weisz, Chairman
November 18, 2009**

Chairman Weisz, members of the Health and Human Services Committee, I am Maggie Anderson, Director of the Medical Services Division, for the Department of Human Services. In accordance with NDCC 50-29-02, I appear before you to provide an annual report on the enrollment statistics and costs associated with the Children’s Health Insurance Program (CHIP).

Appropriation and Expenditures for 2009-2011

CHIP Appropriation	CHIP Expenditures Thru October 2009	% of Appropriation Used *
\$ 21,632,536	\$ 2,222,534	10.27%

*12.50% (3 months) of biennium has expired

Enrollment

As of October 2009 there were 3,239 premiums paid for children enrolled in CHIP; which is 329 fewer children than in November 2008. Please see Attachment A for more detailed information on the children in Medicaid and in CHIP.

As authorized in 2009 House Bill 1012, the income eligibility level for CHIP was increased to 160% (net) of the Federal Poverty Level (FPL), effective July 1, 2009.

Funding for outreach was also authorized in 2009 House Bill 1012. The Department has signed a contract with Dakota Medical Foundation and they are engaging in a variety of outreach activities to reach families who may not be aware of the health care coverage programs offered by the Department.

CHIP Reauthorization

The Children's Health Insurance Program (CHIP) was reauthorized in February 2009. There are many changes that resulted from this legislation. The Department has received several guidance letters from the Centers for Medicare and Medicaid Services, and we expect to receive several more. Department staff members are working with Blue Cross/Blue Shield and others to ensure compliance with all of provisions.

The CHIP changes include adding orthodontia to the CHIP dental benefit; changing the methodology used to pay Federally Qualified Health Centers and Rural Health Clinics; adding quality measures and an External Quality Review component; and ensuring the CHIP benefit meets Mental Health Parity guidelines. Some of these changes may have an impact on per child premium which may impact expenditures this biennium or in future bienniums. Some of the provisions allow for state agencies to request a "delayed" implementation. Depending on the costs associated with each change, the Department may consider requesting a delayed implementation on certain provisions. The Department will provide updates on this as we have more definite information.

I would be happy to address any questions that you may have.