Center for Mississippi Health Policy

Issue Brief

The State Children's Health Insurance Program in Mississippi: Reauthorization Issues

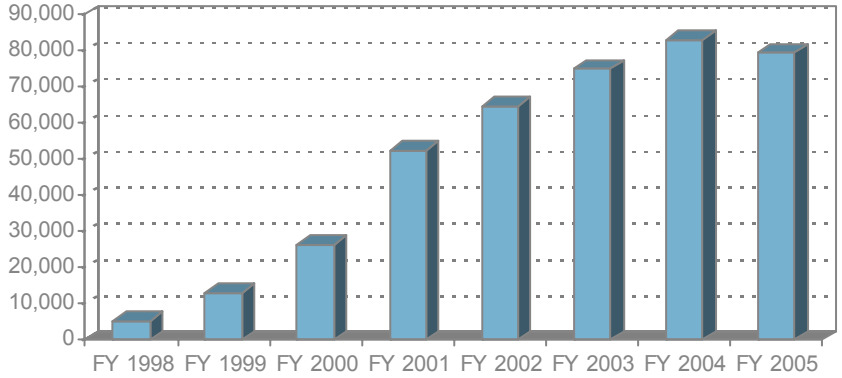
January 2007

Background

Mississippi implemented the State Children's Health Insurance Program (SCHIP) following creation of the program by Congress in 1998. The Legislature created an ad hoc Children's Health Insurance Program Commission to design the program within broad parameters set by Congress and the Legislature. The Commission chose to establish the program as a separate insurance plan with benefits similar to those offered to children enrolled in the State and School Employees' Health Insurance Plan, but with very little cost sharing. Enrollment in the program grew steadily until leveling off in 2005.

Enrollment

Figure 1: SCHIP Enrollment FY 1998 - 2005

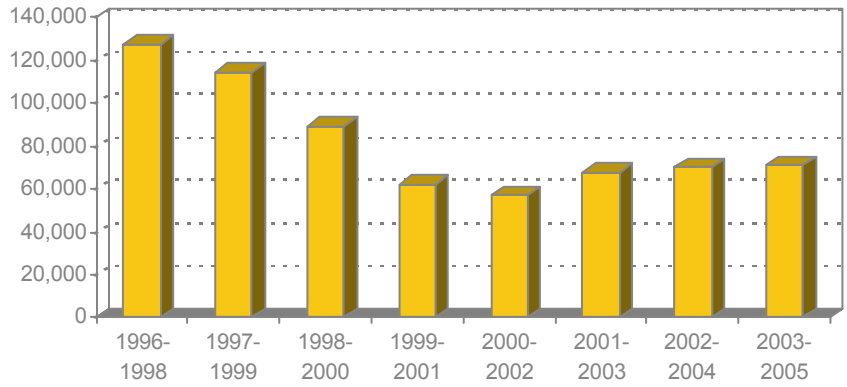


Source: CMS Enrollment Reports of the number of children ever enrolled in the fiscal year.

Uninsured Children

SCHIP has been successful in reducing the number of uninsured low income children in the state, which is the primary goal of the program. Census records document a drop in the number of uninsured low-income children following implementation of the program.

Figure 2: Number of Uninsured Low-Income Children in Mississippi, 1996 – 2005 (Rolling 3-Year Averages)



Source: U.S. Census Bureau, Current Population Survey, Annual Social and Economic Supplements (3-year averages)

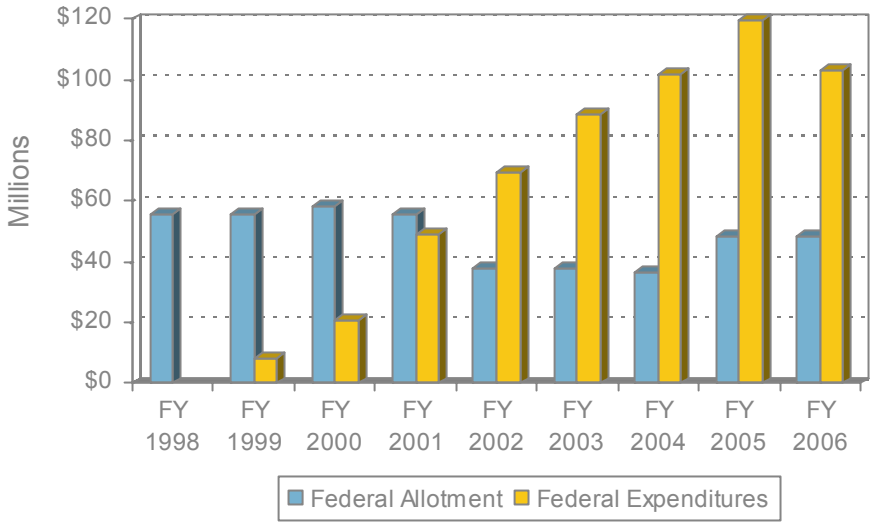
Performance Measures

Program performance measures indicate that children enrolled in the program are receiving needed health care services and families are satisfied with the program. For example, program reports for FY 2005 show that 89 percent of children enrolled in SCHIP had completed their immunizations by 24 months of age; over 99 percent of children had access to a primary care physician within 15 miles in urban areas and 25 miles in rural areas; and over 95 percent of families reported satisfaction with provider access and health plan customer service.

Funding

Program funding has been available to cover the number of children enrolled only because Mississippi has had access to funds originally allocated to other states that did not spend their allotments. Mississippi has been spending considerably more than originally allotted under the statutory funding formula. Flaws in the formula have resulted in an inequitable distribution of funds, as evidenced by the fact that Mississippi's allotments are considerably below those of states with similar or lower enrollment levels.

Figure 3: Federal Allotments vs. Federal Expenditures in Mississippi, FY 1998 – 2006



Sources: Allotments are from notices published in the Federal Register. Expenditures are from reports submitted to the Centers for Medicare and Medicaid Services.

Policy Implications

The program is scheduled to be reauthorized by Congress in 2007, at which time Congress will review program policies and funding needs. For Mississippi to maintain or increase enrollment in SCHIP, Congress will need to appropriate additional funds and make adjustments to the funding formula. (For more information on the funding formula, refer to the Center's technical brief: *How the SCHIP Funding Formula Disadvantages Mississippi*.) If these actions are not taken, Mississippi will not have funding sufficient to maintain current enrollment levels as the amount of redistributed dollars from other states declines.

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