



FACT SHEET

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Children's Health Insurance Program (CHIPRA) Performance Bonuses for FY 2011

The Children's Health Insurance Program Reauthorization Act of 2009 (CHIPRA) established "Performance Bonuses" for States to support the enrollment and retention of eligible children in Medicaid and CHIP. Performance Bonuses provide additional federal funding for qualifying States that have taken specific steps to simplify Medicaid and Children's Health Insurance Program (CHIP) enrollment and renewal procedures and have also increased enrollment of children above a baseline level.

The amount of the award correlates with the percentage increase in Medicaid enrollment above the baseline—the more children States enroll, the higher the bonus, and States that increase enrollment more than 10 percent above the baseline receive an even larger ("Tier 2") bonus. The bonuses are awarded to qualifying States annually from FY 2009 – 2013.

Fast Facts

- More and more eligible children are enrolling in coverage. CMS is awarding nearly \$300 million in FY 2011 CHIPRA Performance Bonuses to 23 States in every region across the country.
- The enrollment increases in the qualifying States ranged from 4 to 27 percent; and 16 of the 23 States had enrollment increases of more than 10 percent, qualifying them for a larger, "Tier 2," bonus award.
- All States that received a Performance Bonus in 2010 qualified again for 2011; seven of the States receiving bonuses this year are newly qualifying States.
- States are continuing to improve their programs – five States now have six of the eight program features in place (the statute requires five strategies to qualify for a bonus).

Progress on Getting Kids Health Insurance Coverage

States have continued to make significant progress simplifying their programs and covering more children – the total bonus award amount has increased by \$80 million over 2010. States that qualify for bonuses have used various strategies to enroll more children. They include cutting red tape and streamlining procedures so families can more easily enroll their children in health coverage and keep them covered for as long as they are eligible. The simplification measures that help States qualify for the bonuses have a long-term positive impact on access to coverage and continuity of care into the future.

States also are continuing their efforts to streamline and improve the efficiency of their Medicaid and CHIP programs. Five States (IL, IA, NJ, NM, and OR) now have 6 of the 8 possible program features in place. Oregon and Iowa implemented Express Lane Eligibility in FY 2011 and Colorado is in the process of adding a sixth program feature – administrative renewal – which uses electronic databases to help verify information, reducing the need for families to submit paper verification when it is time to renew health coverage for their children.

The seven States that qualified for performance bonuses for the first time this year implemented a variety of new program features including presumptive eligibility, Express Lane Eligibility and premium assistance subsidies.

This is exactly the kind of progress envisioned by Secretary Sebelius' *Connecting Kids to Coverage Challenge*. Through this initiative, the Secretary has called upon federal, State and local governments, community-based organizations, health centers, school districts, faith-based groups, Indian tribes and others to find and enroll every uninsured child who is eligible for coverage through Medicaid or CHIP.

Recent results from the National Center for Health Statistics show that the number of children with health insurance has continued to climb over the past 3 years, since the reauthorization of the Children's Health Insurance Program in February 2009. As highlighted in an [HHS Issue Brief](#), an additional 1.2 million children have gained health insurance coverage since the CHIP reauthorization. This increase has been entirely due to greater enrollment in public programs such as Medicaid and CHIP.

In addition, data from other surveys show that the majority of parents are satisfied with the CHIP and Medicaid programs. More than nine in 10 parents (93%) with a child enrolled in Medicaid or CHIP say they are very or somewhat satisfied with their child's coverage, according to a [survey conducted for CMS](#).

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