



Comparing the House and Senate CHIP Bills: House Would Cover More Children

The House passed HB 109 by a 128-17 vote on April 3, 2007. This bill includes much of the Texas CHIP Coalition’s agenda for reversing 2003 policy changes which have resulted in a decline in enrollment of over 201,000 children (40%). Key House provisions include:

- Children would renew coverage annually instead of every six months
- Would allow some child-care expenses to be deducted when calculating income eligibility.
- The current 90-day waiting period for uninsured children would be eliminated, and Texas CHIP’s original crowd-out policy would be reinstated.
- The asset test was modified: families would now be limited to \$10,000 in assets (up from \$5,000), and the vehicle allowance would be increased from \$15,000 to \$18,000 for the first vehicle and \$4,650 to \$7,500 for the second vehicle.

The Senate Finance Committee passed a different bill Thursday that would make most of the same improvements to CHIP, except that the Senate modifies the 12-month coverage as described in the table below. As a result, HHSC projects the Senate bill would cover 33,351 fewer kids than the House bill, and so carries a lower budget price tag (House version: \$73.6 million; Senate version \$58.8 million). The full Senate will vote on HB 109 this week, and a conference committee to negotiate a compromise is likely.

While the Senate version would clearly establish better CHIP policies than current law, the House bill would enroll more uninsured children faster. The House bill is also the better approach for Texas because our state—which has already forfeited \$913 million in federal CHIP funds to other states—faces a cut in its annual CHIP funding by Congress as part of CHIP Block Grant reauthorization if Texas enrollment does not regain pre-2003 levels. CPPP urges readers to support efforts to strengthen the CHIP bill on the Senate floor, and be prepared to encourage the conference committee on HB 109 to adopt measures that will cover the largest number of children.

The tables below compare the key provisions of the two bills, and the estimated costs and caseload impacts.

House	Senate Committee
All children would have 12- month coverage period (currently 6 months).	<p>Gives children under 150% FPL 12 month coverage (about 60% of CHIP kids)</p> <p>Requires a new system of “income reviews” every 6 months for CHIP children in families earning above 150% of the federal poverty level (\$30,975 a year for a family of four)—meaning about 40% of CHIP children would still be reviewed at 6 months.</p> <ul style="list-style-type: none"> • The income reviews MAY be done electronically (system has not yet been designed).

	<ul style="list-style-type: none"> The family must have an opportunity to correct the information detected in the review if they appear to be over 200% FPL. The HHSC must notify the family of a denial at least 30 days before coverage is ended.
Would allow some child-care expenses to be deducted when calculating income eligibility.	Same
The current 90-day waiting period for uninsured children would be eliminated, and Texas CHIP's original crowd-out policy would be reinstated.	Same
The asset test was modified: families would now be limited to \$10,000 in assets (up from \$5,000), and the vehicle allowance was increased from \$15,000 to \$18,000 for the first vehicle and \$4,650 to \$7,500 for an additional second vehicle.	Same
Restores Community-Based outreach as a required element of CHIP	Same
Requires CHIP children to prove their U.S. citizenship (amendment added on the House floor).	Senate <u>deletes</u> this provision
Requires HHSC to perform some type of verification of income.	Same

HHSC Cost and Caseload Comparison			
Policy	Caseload		<i>Biennial Cost, Less Cost-Sharing Revenue</i>
	FY 2008	FY 2009	
CHIP			
H.B. 109, as engrossed	59,664	134,997	<i>\$73,594,634</i>
H.B. 109, Senate Committee Substitute	52,417	101,646	<i>\$58,750,495</i>
Caseload and Cost Differences	7,247	33,351	<i>\$14,844,139</i>

Notes: HB 1 authorizes up to \$89.5 million for CHIP restoration, related to the fiscal note on the original filed bill.
HHSC appears to have revised its estimates of caseload impact. HB 109 as passed by the House was originally scored by LBB as covering 102,224 additional children in 2009, but here is estimated to cover nearly 134,997 additional children.

Source: Texas Health and Human Services Commission

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