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The Children's Health Insurance Program (CHIP)

The Children's Health Insurance Program (CHIP) provides child-appropriate health services to more than 8 million children in working families across America. Since its enactment in 1997, CHIP has helped to cut the number of uninsured children in half to the lowest level on record, while improving health outcomes and access to care. Created specifically for children, CHIP's benefits and provider networks are designed to ensure children have access to child-appropriate services, providers, specialists, and facilities. Cost-sharing for CHIP (when states choose to apply it) is affordable for families so they can access the services their children need.

While CHIP is authorized through 2019, funding for CHIP will virtually disappear in 2015. Funding for CHIP must be continued until at least 2019 so states can keep children enrolled in child-appropriate health coverage without gaps or loss of coverage entirely. The Congressional Budget Office (CBO) estimates that inaction by Congress would reduce CHIP enrollment by more than 50 percent – from 12.7 million children enrolled in FY2015 down to 4.9 million in FY2016 – with 2 million of those children losing health coverage altogether. Millions more would likely get less comprehensive coverage at greater cost. Either outcome would be an enormous step backwards for children.

CHIP is an essential part of the health system for children.

CHIP benefits are child-appropriate.

All CHIP programs cover a wide range of services, including routine doctor visits, immunizations, dental and vision care, hospitalizations, and laboratory and x-ray services. CHIP goes further than most commercial health plans to cover services that children need to reach important developmental milestones, especially for services such as for pediatric hearing and vision, mental health, and habilitative services and devices.

CHIP is affordable for families.

Premiums and cost-sharing in CHIP are more affordable than the premiums and cost-sharing typically imposed by private insurance. Because states have recognized that cost is a barrier to accessing needed services, many states impose no cost-sharing or premiums in their CHIP programs. In the states that do have cost-sharing in CHIP, these costs tend to be nominal compared to those imposed in private insurance, and often vary by income to ensure affordability.

CHIP provides access to child health providers.

CHIP plans are designed specifically to provide access to child-appropriate health care providers, pediatric facilities, and specialists to ensure children receive medically and developmentally appropriate care. In addition, CHIP requires states to ensure that children with special health care needs have access to specialists and out-of-network providers when the CHIP provider network does not meet a child's health needs.

CHIP funding must be extended this year.

Extending CHIP funding this year will preserve access to comprehensive, child-appropriate and affordable health coverage for the millions of children and families who depend on it.