North Carolina
2016 CHIP Fact Sheet

For nearly two decades the Children’s Health Insurance Program (CHIP) has provided health coverage to children in families with low to moderate income. Each state has the option to cover its CHIP population within its Medicaid program, design and structure a separate CHIP program, or establish a combination program using both options.

The Affordable Care Act (ACA) extended federal CHIP funding through fiscal year 2015, required states to maintain Medicaid and CHIP eligibility standards for children through 2019, and increased the federal CHIP matching rate by 23 percentage points.1 The Medicare Access and CHIP Reauthorization Act of 2015 (MACRA) extended federal CHIP funding at its current levels through September 2017.2

Participation Rate: 93.4% of eligible children in North Carolina participated in either Medicaid or Health Choice for Children in 2014, the last year for which we have national data. The national average was 91% in 2014.3

Eligibility Levels: States establish CHIP eligibility levels within federal rules. Under the ACA’s maintenance of effort requirement, they must maintain CHIP eligibility levels they had in place when ACA was enacted until September 30, 2019. Beginning in 2014, eligibility levels for CHIP were revised based on Modified Adjusted Gross Income (MAGI).

<table>
<thead>
<tr>
<th>Modified Adjusted Gross Income (MAGI) Eligibility Levels for CHIP/Title XXI in North Carolina (by Age Group) in 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ages 0 – 1</td>
</tr>
<tr>
<td>Medicaid Expansion</td>
</tr>
<tr>
<td>Separate CHIP Program</td>
</tr>
</tbody>
</table>

Source: Medicaid and CHIP Payment and Access Commission (MACPAC), “Chapter 5: Design Considerations for the Future of Children’s Coverage: Focus on Affordability,” March 2016 Report to Congress on Medicaid and CHIP. Note: Eligibility levels do not include the mandatory 5% income disregard.

Benefit Package: States that operate Medicaid expansion CHIP programs must follow Medicaid rules, including providing all Medicaid covered benefits to enrolled children. In separate CHIP programs, states have substantial flexibility in designing CHIP benefit packages within broad federal guidelines. In addition to general medical and dental benefits, other benefits offered in North Carolina’s CHIP program include (but are not necessarily limited to):

- Inpatient and outpatient behavioral health services
- Vision exams and corrective lenses
- Hearing exams and hearing aids
- Physical and occupational therapy
- Services for speech, hearing, and language disorders
- Durable medical equipment

1 The increased federal CHIP matching rate began in FY2016; states’ federal matching rates currently range from 88 to 100 percent.
2 Information in this fact sheet was verified by state officials.
Delivery System: The provider network in Health Choice for Children is the same as Medicaid. Most children are required to enroll in a primary care case management system.

Premiums & Cost Sharing: Within federal parameters, states can set CHIP program premium and cost sharing levels. In total, any family contribution to the cost of coverage cannot exceed five percent of family income annually.

### Premiums and Selected Cost Sharing in North Carolina Health Choice for Children, 2016

<table>
<thead>
<tr>
<th>Family Income Level</th>
<th>Premiums</th>
<th>Office Visits</th>
<th>Inpatient Services</th>
<th>Prescription Drugs</th>
</tr>
</thead>
<tbody>
<tr>
<td>≤159% FPL</td>
<td>None</td>
<td>None</td>
<td>None</td>
<td>$1-$3</td>
</tr>
<tr>
<td>&gt;159% FPL</td>
<td>$50/$100 max per year</td>
<td>$5</td>
<td>None</td>
<td>$1-$10</td>
</tr>
</tbody>
</table>

Strategies to Simplify Enrollment and Renewals Implemented in North Carolina

<table>
<thead>
<tr>
<th>Strategy</th>
<th>Used</th>
</tr>
</thead>
<tbody>
<tr>
<td>Use of presumptive eligibility</td>
<td>No</td>
</tr>
<tr>
<td>Use of 12-month continuous eligibility</td>
<td>Yes</td>
</tr>
<tr>
<td>Use of express lane eligibility</td>
<td>No</td>
</tr>
<tr>
<td>Premium assistance</td>
<td>No</td>
</tr>
</tbody>
</table>


Other Program Characteristics: Below are some other key program characteristics of Health Choice for Children.

<table>
<thead>
<tr>
<th>Does North Carolina...</th>
<th></th>
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<tbody>
<tr>
<td>Require a waiting period?*</td>
<td>No</td>
</tr>
<tr>
<td>Offer a buy-in option?5</td>
<td>No6</td>
</tr>
<tr>
<td>Cover dependents of public employees?7</td>
<td>Yes</td>
</tr>
<tr>
<td>Cover lawfully residing children without a five-year waiting period?8</td>
<td>Yes</td>
</tr>
</tbody>
</table>


Quality Measures: States may report on a "core set" of quality measures for children. North Carolina reported on 14 measures for federal fiscal year 2014. Among the measures is access to primary care providers, listed below.

### Percentage of Children and Adolescents Visiting a Primary Care Provider, by Age (FFY 2014)

<table>
<thead>
<tr>
<th></th>
<th>12-24 months</th>
<th>25 months – 6 years</th>
<th>7-11 years</th>
<th>12-19 years</th>
</tr>
</thead>
<tbody>
<tr>
<td>North Carolina</td>
<td>96.4%</td>
<td>87.6%</td>
<td>Not reported</td>
<td>Not reported</td>
</tr>
</tbody>
</table>


The measure is for the percentage of children ages 12 to 24 months and 25 months to 6 years receiving a visit to a primary care provider within the past year; and every two years for children ages 7 to 11 years and 12 to 19 years. Note: These data include both Medicaid and CHIP.

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4 States may implement waiting periods up to 90 days in CHIP. A waiting period is the length of time a child must be uninsured before enrollment in CHIP.

5 States can allow families with incomes above the upper income eligibility limit to pay the full cost to purchase coverage for their uninsured children through CHIP.

6 Information from the state. The buy-in program was eliminated through state legislation in September 2015.

7 CHIPRA provided states the option to cover the income-eligible dependents of state employees under CHIP.

8 CHIPRA provided states the option to remove the five-year waiting period for lawfully residing children.

For more information, visit [www.nashp.org](http://www.nashp.org).

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