

The Children's Health Insurance Program: A Vital Lifeline to Mental Health and Substance Use Disorder Services

Over the past twenty years, the Children's Health Insurance Program (CHIP)¹ has served to extend health insurance to many children and adolescents with low incomes but do not qualify for the state's Medicaid program. In 2016, partly due to the availability of coverage through CHIP programs, the nationwide rate of uninsured children reached a historic low of 5%. As of May 2017, over 35 million children are enrolled in either a state Medicaid program or CHIP.

This program is vital for low-income children and adolescents in need of mental health services. Access to mental health care remains a critical component of CHIP programs, as approximately 850,000 CHIP beneficiaries experience serious behavioral or emotional disorders.²

Mental Illness in Childhood

Nearly half of all diagnosable mental illnesses show symptoms by age 14, and 75% begin by the age of 24, yet only 1 in 5 adolescents between 12-17 years-old receive treatment or counseling.

When left untreated, these disorders can lead to tragic and costly consequences, such as substance abuse, school dropout, involvement with law enforcement, and suicide. To ensure our children transition into healthy, productive adults, communities can implement prevention and early intervention programs to prevent, identify, and effectively treat youth with mental illness at the earliest stages and train adults to recognize when a child might need to see a professional.

Success of CHIP

The success of the CHIP program led to its bipartisan reauthorization on multiple occasions. Despite the considerable gains in coverage for children under CHIP and the expansion of Medicaid eligibility under the Affordable Care Act (ACA), allowing CHIP to expire would undo this progress for low-income children who do not meet the financial eligibility criteria for Medicaid.

Greater oversight, identification of parity violations, and enforcement of the ACA's mental health parity requirements would also strengthen the availability of mental health and substance use disorder for children.

¹ Originally created by the Balanced Budget Act of 1997, the Children's Health Insurance Program (CHIP) was reauthorized through FY 2013 under the Children's Health Insurance Program Reauthorization Act of 2009 (CHIPRA). The Affordable Care Act extended funding for CHIP through FY 2015, and the Medicare Access and CHIP Reauthorization Act of 2015 (MACRA) extended funding for the program through FY 2017. Absent an extension from Congress, CHIP is currently set to expire on Sept. 30, 2017.

² <http://healthaffairs.org/blog/2015/04/08/implementing-health-reform-medicare-chip-mental-health-and-substance-abuse-parity/>

Recommendations

- Congress should immediately reauthorize the CHIP program before its expiration at the end of FY 2017 for a period of no less than five years.
- Congress should continue the ACA's maintenance of effort provisions applicable to CHIP programs.
- Congress should adopt the CHIP Mental Health Parity Act (H.R. 3192) that would add mental health and substance use disorder services as a “basic service” in benchmark-equivalent CHIP plans.
- Congress should extend or make permanent Medicare payment incentives that ensure an adequate health care workforce or increase the availability of health care services in rural areas.