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*Implementation of the Children's Health Insurance Program:
HHS, States, and Lessons for National Health Reform*

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Abstract by Richard G. Rose

Passed in 1997, the Children's Health Insurance Program (CHIP) promises to improve access to medical services for low-income children living without health insurance. Though few are critical of the law's goal, some disagree with the way the program is administered. Under CHIP, states must submit a plan as to how the state intends to spend federal grant money. Cendali argues HHS should examine state experiments to expand health care coverage to poor children prior to the enactment of CHIP to develop guidelines for effective state plans for administering money under the current CHIP program. The problem of uninsured children is a serious one. Children under nineteen represent as many as ten million of the forty-one million uninsured Americans. Congress adopted a federal block grant system for CHIP. Congress compromised over how the system would be administered, settling finally on a system of loose federal standards interpreted by state officials with wide discretion. This system has been criticized by those that hoped stricter federal standards would assure the federal money would be administered effectively. So far forty-nine states have submitted plans for CHIP funding; over half have been approved, but critics contend that some of the approved plans do not provide additional or better insurance coverage for poor children.

Prior to the passage of CHIP, three states - Florida, Massachusetts, and Minnesota - enacted different health care reform packages that, Cendali argues, may now provide helpful guidance for improved administration of the CHIP program. The states' experiments included creation of new agencies to expand health care coverage, the use of task forces to identify and study impediments to care, and the inclusion of preventative care in benefits packages. Cendali contends HHS should examine these and other successful efforts by states to expand health insurance coverage to the poor. Prior state experience can provide guidance on the development of cohesive criteria for monitoring insurance plans. Cendali provides some specific recommendations based on the successes of Florida, Massachusetts, and Minnesota.

