

Congress of the United States
Washington, DC 20515

January 8, 2015

Ms. Carolyn Yocom
Director
Health Care
U.S. Government Accountability Office
441 G Street, N.W.
Washington, D.C. 20548

Dear Ms. Yocom:

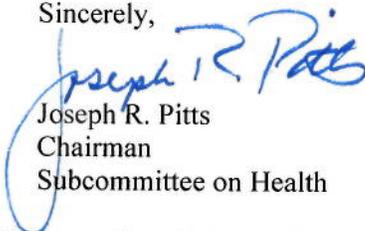
Thank you for appearing before the Subcommittee on Health on Wednesday, December 3, 2014, to testify at the hearing entitled "The Future of the Children's Health Insurance Program."

Pursuant to the Rules of the Committee on Energy and Commerce, the hearing record remains open for ten business days to permit Members to submit additional questions for the record, which are attached. The format of your responses to these questions should be as follows: (1) the name of the Member whose question you are addressing, (2) the complete text of the question you are addressing in bold, and (3) your answer to that question in plain text.

To facilitate the printing of the hearing record, please respond to these questions with a transmittal letter by the close of business on Thursday, January 22, 2015. Your responses should be mailed to Adrianna Simonelli, Legislative Clerk, Committee on Energy and Commerce, 2125 Rayburn House Office Building, Washington, D.C. 20515 and e-mailed in Word format to Adrianna.Simonelli@mail.house.gov.

Thank you again for your time and effort preparing and delivering testimony before the Subcommittee.

Sincerely,


Joseph R. Pitts
Chairman
Subcommittee on Health

cc: The Honorable Frank Pallone, Jr., Ranking Member, Subcommittee on Health

Attachment

Attachment —Additional Questions for the Record

The Honorable Joseph R. Pitts

1. Under the Affordable Care Act/Obamacare, states are only permitted to use a waiting period of up to 90 days before a child who is otherwise eligible is permitted to enroll in CHIP. Before Obamacare, states could require waiting periods of up to a year. This was designed to ensure that CHIP coverage does not crowd out private coverage. What, if any, concerns does the removal of state options for implementing longer waiting periods raise and to what extent does this needlessly increase federal spending?
2. Express Lane Eligibility allows states to determine eligibility for children in Medicaid or CHIP by using certain information, such as information from other public-assistance programs that enroll children. While express lane eligibility can result in administrative simplification, what, if any, concerns does this initiative raise for CHIP program integrity?
3. With all of the outreach that has occurred under the current CHIP program and given the amount of federal dollars spent on outreach to encourage consumers to get enrolled in health coverage related to the Affordable Care Act/Obamacare, what, if any, policy rationale is there for continued federal funding of CHIP performance bonuses? Given GAO's historic concerns regarding possible duplication, isn't this a role a state could fund and perform if the state deemed it necessary or useful?
4. Under HHS rules, states are permitted to continue coverage for CHIP-eligible children for a period of 12 months regardless of changes in family composition or income that may otherwise affect their eligibility status. This means that a child could be eligible in January, become ineligible in February, and still be on the CHIP rolls using services through the end of the year. What concerns does such a policy raise about the appropriate use and safeguards of federal dollars?
1. States have told us that, as a result of the modified-adjusted gross income (MAGI) calculation's treatment of lump sum payments, lottery winners are currently enrolled in Medicaid. In fact, in 2014, one state reported to us that roughly one in four of their lottery winners were enrolled in Medicaid or had a family member in Medicaid. This includes at least one individual who won more than \$25 million. Since CHIP uses MAGI calculations as well, is it possible that CHIP is providing coverage for lottery winners? Please explain how lump sum payments such as lottery winnings are treated under the MAGI calculation? Does GAO have an opinion on whether or not is an appropriate use of federal dollars to provide Medicaid coverage to multi-million dollar lottery winners?
5. GAO recently issued a report raising concerns about gaps in state and federal efforts to ensure Medicaid managed care program integrity. According to CRS, in fiscal year 2013, approximately 84 percent of separate CHIP program enrollees received coverage under some form of managed care. Do these same gaps in program integrity issues exist in CHIP? What efforts exist to ensure the integrity the CHIP program?
6. As Congress moves to probably extend CHIP funding in some form, does GAO have relevant Medicaid or CHIP policies which you would recommend Congress consider that might either be targeted offsets or common-sense program integrity policies to include in legislation extending CHIP funding?

The Honorable Frank Pallone, Jr.

1. Sometimes we hear people criticize Medicaid, and even CHIP, as being a “government run” program. While the federal government provides financial support and broad parameters, states have a lot of flexibility to design their programs. Do you agree?
2. Isn't it true that most of the coverage provided under both Medicaid and CHIP is provided through private insurance companies, either HMOs or some other arrangement?
3. What Medicaid and CHIP do guarantee, however, is coverage that is child-appropriate. In Medicaid, and in CHIP programs provided through Medicaid, children are guaranteed the Early Periodic Screening Detection and Treatment (EPSDT) benefit. Could you discuss what EPSDT provides that is critical for children?
4. In the responses from Governors that the Committee received to its July 2014 letter on the CHIP program, most governors expressed interest that Congress should act quickly to extend CHIP funding. I strongly agree that we need to act quickly. Please share some of the administrative and operational challenges that states would face if Congress were to delay acting on this issue?
5. In terms of physician access, I understand you and other researchers have reported that CHIP and Medicaid enrollees experience similar challenges as individuals covered by private insurance. Would you agree that issues with access experienced by families with children in CHIP reflects broader system-wide challenges, rather than problems with CHIP itself?