Program Design

States are able to structure their CHIP programs in different ways: by expanding Medicaid, by creating a separate program, or a combination of these approaches. Like most states, Wisconsin has a combination program with almost half of CHIP children enrolled in its separate CHIP program under BadgerCare Plus.

BadgerCare Plus covers uninsured children in families who do not qualify for Medicaid and earn up to 306 percent of the federal poverty level, or $62,485 annually for a family of three. Wisconsin charges monthly premiums of $10 to $98 for some CHIP children and cost sharing of $.50 to $3 for some health care services like non-preventive doctor visits, hospital visits, and prescription drugs.

Public Coverage for Children in Wisconsin, 2016

- Medicaid funded: 541,145
- CHIP-funded Medicaid: 96,454
- Separate CHIP: 75,098
- Marketplace: 16,519

About CHIP

The Children’s Health Insurance Program (CHIP) was enacted in 1997 to fill a growing gap in health coverage for children in working families. CHIP stands on the shoulders of Medicaid to provide health care for children who do not qualify for Medicaid and whose families lack access to affordable employer-based or private insurance.

CHIP has been an important catalyst in the nation’s success in covering children, sparking a renewed determination to cover all children by expanding access and enrolling children already eligible for Medicaid. In doing so, states have built community partnerships to identify and enroll eligible children and introduced enrollment and renewal simplifications that drive administrative efficiency while promoting enrollment and retention.

States design their CHIP programs to meet the specific needs of the state’s uninsured children. Separate CHIP programs are often modeled after commercial insurance, using managed care health plans to deliver services and requiring families to pay a share of the expense in the form of premiums and cost-sharing.
What’s at Stake for Wisconsin’s Children and Families?

Affordable, high-quality, consistent coverage for nearly 172,000 Wisconsin children is at risk without a CHIP funding extension at current levels. A delayed CHIP extension forces states to freeze or limit children’s coverage. Uncertainty about the amount or timeline for continuation of funding places undue stress on families and states.

Children need access to continuous, affordable health care coverage to succeed in school and life.

Families need the peace-of-mind that comes from knowing their children can get the care they need at a price they can afford and that their family is protected from financial catastrophe in the event of an illness or injury.

States need sufficient time to plan budgets to ensure they can provide adequate coverage to low-income children and families who rely on CHIP.

A long-term (5+ years) CHIP funding extension at current levels will ensure that no child experiences interruptions in coverage, that no family faces an uncertain future, and that state budgets are stabilized to continue serving their children and families. Key aspects of CHIP funding that should be maintained include:

- Enhanced federal matching rates, including the 23-percentage-point CHIP “bump.”
- Requirements for states to maintain eligibility levels and prohibit additional barriers to coverage such as new premiums or added red tape to enrollment procedures.
- State flexibility to extend coverage to additional children and pregnant women, by raising eligibility levels or adding optional groups such as all lawfully-residing immigrant children.
- Financial support for states to conduct outreach and provide community-based enrollment assistance to reach eligible children.
- Investments in quality initiatives to measure, report, and improve health care for children in Medicaid and CHIP.