

Department of Legislative Services
Maryland General Assembly
2007 Session

FISCAL AND POLICY NOTE

Senate Joint Resolution 2 (Senator Middleton, *et al.*)

Finance

Rules and Executive Nominations

Federal Reauthorization of the State Children's Health Insurance Program

This joint resolution urges the Maryland Congressional Delegation to work to ensure that Congress reauthorizes the State Children's Health Insurance Program (SCHIP) in a timely manner.

Fiscal Summary

State Effect: Compliance with this joint resolution would not directly affect State operations or finances. If SCHIP is not reauthorized, general fund Medicaid revenues could decrease.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law/Background: SCHIP was established in 1997 to help states initiate and expand health insurance coverage to children. Federal fiscal 2007 is the final year of SCHIP's initial 10-year authorization. Accordingly, the program must be reauthorized for funding to continue. SCHIP reauthorization is anticipated to be a major congressional legislative priority in 2007.

Each year since 1998 the State has received a federal block grant to support the Maryland Children's Health Program (MCHP); the State can claim federal block grant dollars to cover 65% of MCHP costs. In federal fiscal 2007, Maryland received \$53 million in federal block grant dollars through SCHIP.

MCHP offers comprehensive health care coverage to low-income children under the age of 19 with family incomes that exceed the standard for Medicaid but are at or below 300% of federal poverty guidelines (FPG) (\$51,510 for a family of three). Families with incomes above 200% FPG (\$34,340 for a family of three) are enrolled in the MCHP premium plan and are required to pay monthly premiums of \$42 to \$53 depending on income. Health coverage for all MCHP enrollees is provided through the Health Choice program. More than 100,000 children are enrolled in MCHP.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Department of Health and Mental Hygiene, Department of Legislative Services

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ncs/jr

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