



State of Idaho
DEPARTMENT OF HEALTH AND WELFARE
Office of the Director

DIRK KEMPTHORNE
Governor

KARL B. KURTZ
Director

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October 2, 2000

Angela Corbin, Project Officer
Center for Medicaid and State Operations
Health Care Financing Administration
Mail Stop S2-01-16
7500 Security Boulevard
Baltimore, Maryland 21244-1850

Dear Ms. Corbin:

The following information is in response to your letter dated August 25, 2000, asking for further clarification regarding the Idaho Children's Health Insurance Program under Title XXI of the Social Security Act.

1. Section 2.2.2. Idaho will receive a contribution from the Mountain States Group to use as part of the non-Federal share of SCHIP outreach activities. Idaho will have a contract with Mountain States Group effective October 1, 2000. Mountain States Group funds come to them from the Robert Wood Johnson Foundation Covering Kids Project. The combined funds will be used by Mountain States Group to develop a training package and train the trainers for community partners, to hire community aides to assist in outreach efforts, to hire a state outreach coordinator, and to expand HOY outreach activities to seven counties in Southeast Idaho. Projects similar to this have used RWJ funds as part of the non-Federal share of SCHIP in both Washington and Maryland.
2. Section 5.1. Idaho is contracting with Americorps to hire 15 VISTA volunteers to assist in outreach efforts. Funding for those positions comes entirely from Americorps and Idaho TANF funds. Idaho TANF funds are a combination of state and federal Temporary Assistance to Needy Family funds resulting from welfare reform. **Idaho will not claim federal financial participation through either Title XIX or XXI for this project.** No federal dollars are being used or will be used to obtain additional federal financial participation.
3. Section 9.10 Revised response is **as follows with revisions in bold:**
The budget for this program in state fiscal year 1999 was \$4,436,081. The revenue for the non-Federal share, \$887,216 came from state general funds appropriated by the Idaho Legislature. **Revenue for the non-Federal share of SCHIP in both FFY 99 and 00 has come from state general funds. Revenue for the non-Federal share of SCHIP in FFY 01 and 02 will come from state general funds and approximately \$150,000 each fiscal year from the Mountain**

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States Group using Robert Wood Johnson Foundation Covering Kids Project Funds. Through aggressive outreach the Title XXI program is enrolling more uninsured children and Idaho projects the FFY '01 budget to be \$14,444,450 and \$20,555,600 for FFY '02. Ten percent of the budget is allocated to administrative costs and 90% is allocated to services.

4. Section 9.10. Attached are CHIP Budget Estimates for FFY 2000-2002 in format as directed.

If you have questions concerning this clarification, please contact Marnie Basom, CHIP Coordinator, at (208) 364-1813.

Sincerely,

KARL B. KURTZ
Director

KBK/MAB/bdr/ksl

c: Joseph R Brunson, Administrator, Division of Medicaid
DeeAnne Moore, Bureau Chief, Bureau of Medicaid Programs and Resource Management
Marnie Basom, CHIP Coordinator, Bureau of Medicaid Programs and Resource Management

Enclosures

CHIP BUDGET ESTIMATES
FEDERAL FISCAL YEARS 2000 - 2002

	FFY 2000	FFY 2001	FFY 2002
<u>BENEFIT COSTS</u>			
INSURANCE PAYMENTS MANAGED CARE FEE FOR SERVICE	\$ 8,250,000	\$ 13,000,000	\$ 18,500,000
TOTAL BENEFIT COSTS OFFSETS	\$ 8,250,000	\$ 13,000,000	\$ 18,500,000
<u>NET BENEFIT COSTS</u>	<u>\$ 8,250,000</u>	<u>\$ 13,000,000</u>	<u>\$ 18,500,000</u>
<u>ADMINISTRATION COSTS</u>			
PERSONNEL	\$ 104,700	\$ 165,000	\$ 234,800
GENERAL ADMINISTRATION	34,300	54,000	76,800
CONTRACTORS			
CLAIMS PROCESSING			
OUTREACH	248,000	390,800	556,100
OTHER	529,700	834,650	1,187,900
<u>TOTAL ADMINISTRATION COSTS</u>	<u>\$ 916,700</u>	<u>\$ 1,444,450</u>	<u>\$ 2,055,600</u>
<u>10% ADMINISTRATIVE COST CEILING</u>	<u>\$ 916,700</u>	<u>\$ 1,444,450</u>	<u>\$ 2,055,600</u>
FEDERAL SHARE*	\$ 7,251,776	\$ 11,487,671	\$ 16,434,202
STATE SHARE	1,914,924	2,956,779	4,121,398
<u>TOTAL PROGRAM COSTS</u>	<u>\$ 9,166,700</u>	<u>\$ 14,444,450</u>	<u>\$ 20,555,600</u>

*THE RATE FOR 2000 IS 79.1% AND FOR 2001 IT IS 79.53%.
FOR 2002 A RATE OF 79.95% WAS USED. THE INCREASE IN RATES OF .42% BETWEEN
2000 AND 2001 WAS USED AS AN INCREASE BETWEEN 2001 AND 2002 TO ARRIVE AT
AN ESTIMATED 2002 RATE.