Children's Health Insurance Program

The Children's Health Insurance Program (CHIP) provides health insurance coverage for children in families whose income, although modest, is above the threshold to qualify for Medicaid. Each state can set its own eligibility threshold, but generally it falls between 138 percent and 300 percent of the federal poverty guidelines. Like Medicaid, CHIP is administered by the states within broad federal guidelines. Unlike Medicaid, however, CHIP has a fixed nationwide limit on federal spending.



Children's Health Insurance Program	•													
	By Fiscal Year, Billions of Dollars													
	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2023- 2027	2023- 2032
BUDGET INFORMATION														
Budget Authority ^a	25	26	26	19	18	19	19	15	15	15	15	15	101	176
Outlays	16	17	18	17	18	18	19	20	20	21	17	15	91	184
PARTICIPATION AND BENEFIT INFORMATION														
Enrollment at Baseline Funding Amounts ^b														
Millions of children	7	7	7	7	7	7	7	7	7	6	5	5	n.a	n.a
Millions of adults	*	<u>*</u> 7	<u>*</u> 7	<u>*</u> 7	<u>*</u> 7	<u>*</u> 7	<u>*</u> 7	*	*	*	*	*	n.a	n.a
Total Enrollment	7	7	7	7	7	7	7	7	7	6	5	5	n.a	n.a
Average Annual Federal Spending on														
Benefit Payments per Enrollee (Dollars)	2,337	2,512	2,624	2,561	2,651	2,747	2,843	2,943	3,047	3,154	3,264	3,378	n.a	n.a
Memorandum:														
Available Funding to States (Billions of dollars) ^c														
State allotments	18	19	18	19	18	19	19	15	15	15	15	15	93	168
Prior-year funds available	6	10	12	12	13	13	14	14	10	4	0	0	64	92
Redistribution funds	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>2</u>	<u>0</u>	<u>14</u>	26
Total Available Funding	27	32	32	33	34	35	36	32	28	23	17	15	171	285

Components may not sum to totals because of rounding; n.a. = not applicable; * = fewer than 500,000 enrollees.

a. Title XXI of the Social Security Act provides funding through September 2027. Through 2023, budget authority for the program is set by statute. From 2023 to 2027, the budget authority is set equal to the sums needed to fund the allotments. After 2027, consistent with section 257 of the Balanced Budget and Emergency Deficit Control Act of 1985, CBO's baseline reflects the assumption that annual funding for the program will continue at \$15.3 billion, based on the amount of budget authority available in 2027.

b. Amounts represent the number of beneficiaries enrolled on an average monthly basis in the 50 states and the District of Columbia but exclude enrollment in the U.S. territories.

c. States receive annual allotments from the total program budget authoriity based on a formula in title XXI of the Social Security Act. States have two years to spend the funds from the annual allotments, and most states have funds available from the prior fiscal year's allotment at the start of a new fiscal year. In addition, any allotment funds that are not spent by the end of the two-year period of availability are placed in a redistribution fund that may be distributed to states that exhaust all of their allotment funds before the end of the two-year period.