Gazette Opinion: Sizing up Montana's care for kids

Billings Gazette – March 24, 2008

The 2007 Legislature and Gov. Brian Schweitzer made the Montana Children's Health Insurance Plan available to more children. They boosted funding and increased the maximum income for CHIP eligibility from 150 percent of the federal poverty level (FPL) to 175 percent. About 16,000 Montana children ages birth to 18 are now enrolled. The new income limit allows families of three with annual income up to $30,800 to enroll. Most CHIP kids have parents who are working.

Yet a comparison with what other states are doing shows Montana still has one of the most restrictive CHIP programs in the nation. Only North Dakota, which limits its CHIP eligibility to children below 140 percent of poverty, has a lower income cutoff than Montana, according to a report from the Kaiser Commission on Medicaid and the Uninsured. In fact, Montana is among only six states that limit coverage to children with family incomes below 200 percent of the poverty level, the survey shows.

The Montana state appropriation covers about 20 percent of CHIP costs; federal funds cover 80 percent. Some Montana families with income closer to the CHIP maximum are required to make small copayments on the care their children receive.

Ballot Initiative 155

This spring is an important time to put Montana CHIP into perspective. A group of children's advocates led by State Auditor John Morrison is promoting a ballot initiative intended to expand CHIP to cover Montana children up to 250 percent of the poverty level.

Morrison says that such a program would cover most of the Montana children who are now without any coverage at a cost to the state of about $20 million a year. Initiative 155 proposes to pay for that coverage by diverting a portion of the taxes the state collects from insurance companies to a special fund for children's health care.

By designating a portion of insurance taxes for children's health, I-155 would reduce the amount of state revenue available for other purposes. But the Legislature has the authority to decide how much to spend on CHIP regardless of whether I-155 becomes law. The Legislature could limit increases in CHIP spending to the amount I-155 sends to the children's fund. It could even refuse to appropriate money from the fund as a previous legislature refused to follow voters' direction on another health-care initiative.

34,000 uninsured kids

Montanans ought to consider why Montana has the the second-most-restrictive CHIP program in the nation while an estimated 34,000 of its children are uninsured.

The entire group of Montana children who would be eligible for CHIP under the I-155 plan would already be eligible for coverage if they lived in any one of 22 other states or the District of Columbia.