

Joint Committee on
Government and Finance
Report

NOVEMBER 2019

Department of Health and Human Resources

State Children's Health Insurance Program
UPDATE



West Virginia Children's Health Insurance Program
Comparative Statement of Revenues, Expenditures, Changes in Fund Balance, and Budget-to-Actual
For the Three Months Ending September 30, 2019 and September 30, 2018

| | Annual | Budget | Actual | Actual | Actual | | Budget | |
|--|---------------------|---------------------|---------------------|---------------------|--------------------|------------|----------------------|-------------|
| | Budget 2020 | Year-to-Date | September 30, 2019 | September 30, 2018 | Variance | % | Variance | % |
| | | | | | \$ | % | \$ | % |
| Beginning Operating Fund Balance | | | \$5,232,905 | \$5,541,320 | (\$308,415) | -6% | | |
| Revenues | | | | | | | | |
| Federal Grants | | | \$13,916,143 | \$12,774,045 | \$1,142,098 | 9% | | |
| State Appropriations | | | | | | | | |
| Premium Revenues | \$1,529,958 | \$382,490 | \$387,534 | \$375,412 | \$12,122 | 3% | \$5,045 | 1% |
| Investment Earnings (Interest) | | | \$70,017 | \$31,330 | \$38,687 | 123% | | |
| Total Operating Fund Revenues | | | \$14,373,694 | \$13,180,787 | \$1,192,907 | 9% | | |
| Expenditures: | | | | | | | | |
| Claims Expenses: | | | | | | | | |
| Physicians & Surgical | | | \$3,244,660 | \$3,583,587 | (\$338,927) | -9% | | |
| Prescribed Drugs | | | \$2,483,856 | \$1,872,908 | \$610,948 | 33% | | |
| Outpatient Services | | | \$2,240,647 | \$1,967,451 | \$273,196 | 14% | | |
| Dental | | | \$1,993,635 | \$1,851,965 | \$141,670 | 8% | | |
| Inpatient Hospital Services | | | \$914,775 | \$935,111 | (\$20,336) | -2% | | |
| Other Services | | | \$813,522 | \$587,723 | \$225,799 | 38% | | |
| Therapy | | | \$553,063 | \$456,584 | \$96,479 | 21% | | |
| Inpatient Mental Health | | | \$118,810 | \$164,868 | (\$46,058) | -28% | | |
| Vision | | | \$182,111 | \$201,340 | (\$19,229) | -10% | | |
| Durable & Disposable Med. Equip. | | | \$112,528 | \$119,468 | (\$6,940) | -6% | | |
| Medical Transportation | | | \$125,225 | \$87,802 | \$37,423 | 43% | | |
| Outpatient Mental Health | | | \$87,204 | \$75,338 | \$11,866 | 16% | | |
| Less: Other Collections** | | | (\$24,619) | (\$83,399) | \$58,781 | -70% | | |
| Drug Rebates | (\$2,168,732) | (\$542,183) | (\$743,204) | (\$390,539) | (\$352,665) | 90% | \$225,640 | -42% |
| Total Claims Expenses | \$50,481,331 | \$12,620,333 | \$12,102,213 | \$11,430,206 | \$672,007 | 6% | (\$518,119) | -4% |
| Administrative Expenses: | | | | | | | | |
| Salaries and Benefits | | | | | | | | |
| Program Administration | \$5,679,624 | \$1,419,906 | \$285,934 | \$283,661 | \$2,273 | 1% | (\$1,133,972) | -80% |
| Eligibility | | | | \$1,170 | (\$1,170) | 100% | | |
| Outreach & Health Promotion | \$100,000 | \$25,000 | \$0 | \$0 | \$0 | | (\$25,000) | -100% |
| Current | \$350,000 | \$87,500 | \$29,394 | \$22,229 | \$7,165 | 32% | (\$58,106) | -66% |
| Total Administrative Expenses in Operating Fund | \$6,129,624 | \$1,532,406 | \$315,328 | \$307,060 | \$8,268 | 3% | (\$1,217,078) | -79% |
| Total Operating Fund Expenditures | \$56,610,955 | \$14,152,739 | \$12,417,541 | \$11,737,266 | \$680,275 | 6% | (\$1,735,197) | -12% |
| Adjustments | | | \$122,574 | \$1,443,521 | | | | |
| Ending Operating Fund Balance | | | \$7,066,484 | \$5,541,320 | \$1,525,164 | 28% | | |
| Money Market | | | \$688,223 | \$1,034,261 | | | | |
| Bond Pool | | | \$4,603,048 | \$4,354,040 | | | | |
| Cash on Deposit | | | \$1,775,213 | \$153,019 | | | | |
| Unrealized Gain/Loss on Investment | | | \$14,890 | (\$32,224) | \$47,114 | -146% | | |
| Ending Fund Balance (Accrued Basis) | | | \$7,081,374 | \$5,509,096 | \$1,572,279 | 29% | | |
| Program Expenses outside of Operating Funds: | | | | | | | | |
| Salaries and Benefits | \$702,625 | \$175,656 | \$156,662 | \$161,999 | (\$5,337) | -3% | (\$18,994) | -11% |
| Eligibility | \$350,000 | \$87,500 | \$181,782 | (\$44,279) | \$226,061 | -511% | \$94,282 | 108% |
| Total Administrative Expenses: | \$7,182,249 | \$1,795,562 | \$653,772 | \$424,780 | \$228,992 | 54% | (\$1,141,790) | -64% |
| Total WVCHIP Expenditures | \$57,663,580 | \$14,415,895 | \$12,755,985 | \$11,854,986 | \$900,999 | 8% | (\$1,659,910) | -12% |

Footnotes:

- 1) Statement is on cash basis
- 2) Estimate of Incurred but Not Reported (IBNR) claims on September 30, 2019 is \$4,697,000. The September 30, 2018 estimate was \$4,780,000
- 3) Administrative Accounts Payable balance on September 30, 2019 is \$1,056,684. The September 30, 2018 balance is \$537,728
- 4) 2018 and 2017 adjustments to fund balance represent timing issues between the payment of expense and the draw-down of federal revenues
- 5) Revenues are primarily federal funds. During State Fiscal Years 2019 and 2018 WVCHIP's Federal Matching Assistance Percentage (FMAP) was 100%.
- 6) Other Collections are primarily provider refunds and subrogations (amounts received from other insurers responsible for bill WVCHIP paid - primarily auto).
- 7) Physician & Surgical services include physicians, clinics, lab, Federally Qualified Health Centers (FQHC), and vaccine payments.
- 8) Other Services include home health, chiropractors, psychologists, podiatrists, and nurse practitioners

Unaudited - For Management Purposes Only

**West Virginia Children's Health Insurance Program
Budget to Actual Statement
State Fiscal Year 2020
For the Month Ending September 30, 2019**

| | Budgeted for Year | Year to Date Budgeted Amt | Year to Date Actual Amt | Year to Date Variance* | | Monthly Budgeted Amt | Actual Amt Sep-19 | Actual Amt Aug-19 | Actual Amt Jul-19 |
|-------------------------|------------------------------|--------------------------------------|------------------------------------|-----------------------------------|------------|---------------------------------|------------------------------|------------------------------|------------------------------|
| Projected Cost | \$54,180,021 | \$13,545,005 | \$13,241,841 | \$303,164 | 2% | \$4,515,002 | \$4,227,489 | \$6,049,574 | \$2,964,778 |
| Premiums | 1,529,958 | \$382,490 | \$387,534 | \$5,044 | 1% | \$127,497 | \$130,454 | \$125,867 | \$131,213 |
| Subrogation & Rebates | <u>2,168,732</u> | <u>\$542,183</u> | <u>\$769,681</u> | <u>\$227,498</u> | <u>42%</u> | <u>\$180,728</u> | <u>\$10,856</u> | <u>\$750,272</u> | <u>\$8,553</u> |
| Net Benefit Cost | \$50,481,331 | \$12,620,333 | \$12,084,627 | \$535,706 | 4% | \$4,372,445 | \$4,086,180 | \$5,173,436 | \$2,825,012 |
| Salaries & Benefits | \$702,625 | \$175,656 | \$156,662 | \$18,994 | 11% | \$58,552 | \$44,054 | \$66,367 | \$46,240 |
| Program Administration | \$5,679,624 | \$1,419,906 | \$285,934 | \$1,133,972 | 80% | \$473,302 | \$63,137 | \$181,705 | \$41,091 |
| Eligibility | \$350,000 | \$87,500 | \$0 | \$87,500 | 100% | \$29,167 | \$0 | \$0 | \$0 |
| Outreach & Health Prom. | \$100,000 | \$25,000 | \$0 | \$25,000 | 100% | \$8,333 | \$0 | \$0 | \$0 |
| Current Expense | <u>\$350,000</u> | <u>\$87,500</u> | <u>\$29,394</u> | <u>\$58,106</u> | <u>66%</u> | <u>\$29,167</u> | \$480 | \$21,458 | \$7,456 |
| Total Admin Cost | \$7,182,249 | \$1,795,562 | \$471,990 | \$1,323,572 | 74% | \$598,521 | \$107,672 | \$269,530 | \$94,788 |
| Total Program Cost | <u>\$57,663,580</u> | <u>\$14,415,895</u> | <u>\$12,556,617</u> | <u>\$1,859,278</u> | <u>13%</u> | <u>\$4,970,965</u> | <u>\$4,193,852</u> | <u>\$5,442,966</u> | <u>\$2,919,799</u> |
| Federal Share 93.958% | \$54,179,546 | \$14,415,895 | \$11,797,946 | \$2,617,949 | 18% | \$4,970,965 | \$3,940,459 | \$5,114,102 | \$2,743,385 |
| State Share 0% | <u>3,484,034</u> | <u>\$0</u> | <u>\$758,671</u> | <u>(\$758,671)</u> | <u>0%</u> | <u>\$0</u> | <u>\$253,393</u> | <u>\$328,864</u> | <u>\$176,414</u> |
| Total Program Cost ** | <u>\$57,663,580</u> | <u>\$14,415,895</u> | <u>\$12,556,617</u> | <u>\$1,859,278</u> | <u>13%</u> | <u>\$4,970,965</u> | <u>\$4,193,852</u> | <u>\$5,442,966</u> | <u>\$2,919,799</u> |

* Positive percentages indicate favorable variances

** Budgeted Year Based on CCA Actuary 3/31/2019 Report.

Unaudited - Cash Basis For Management Purposes Only - Unaudited

WVCHIP Enrollment Report

ATTACHMENT 1

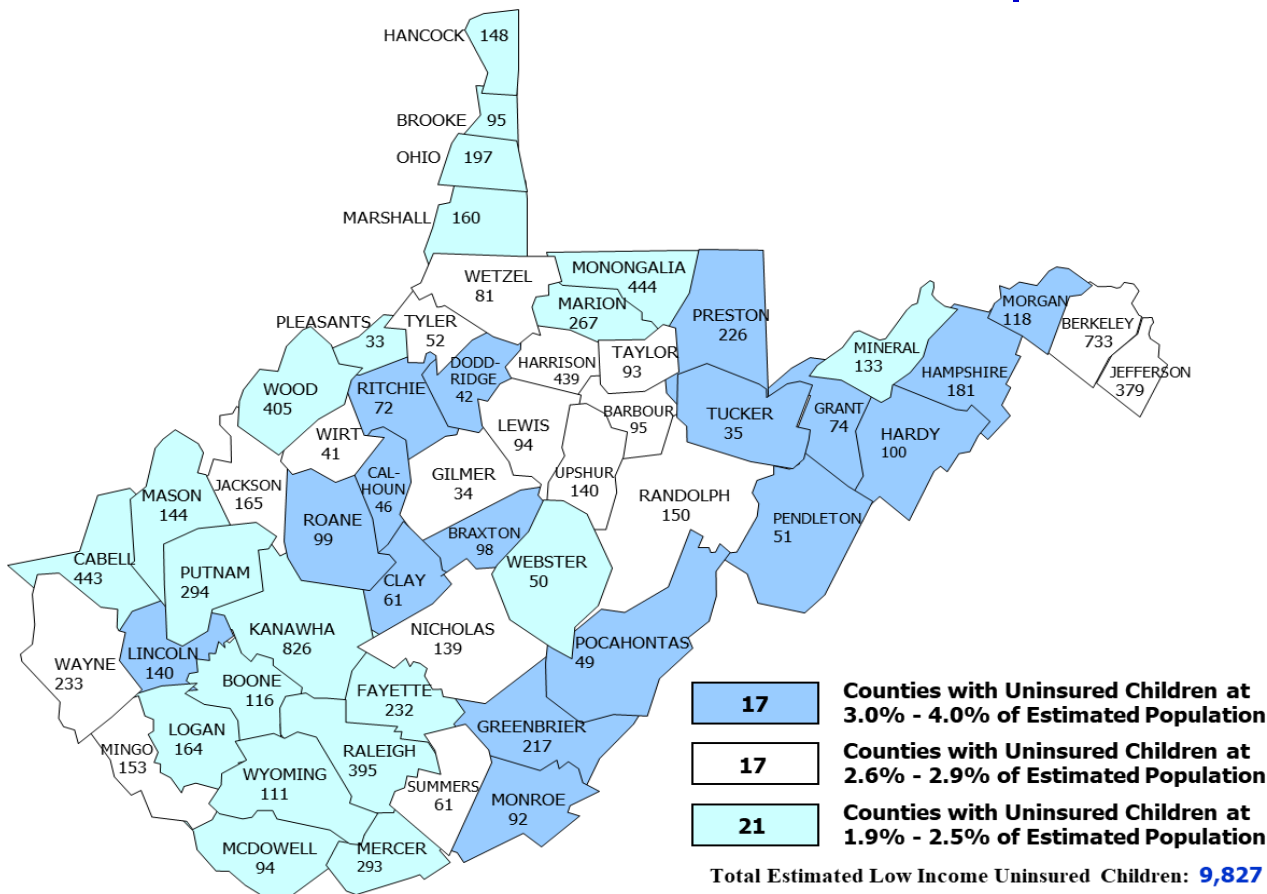
OCTOBER 2019

| County | County Pop. 2017 Est. (0-18 Yrs) | Total CHIP Enrollment Oct-19 | Total Medicaid Enrollment Oct-19 | Total CHIP/Medicaid Enrollment | CHIP/Medicaid Enrollment % of Population | 2017 SAHIE Uninsured Est. | 2017 SAHIE % Uninsured |
|------------|--|------------------------------------|--|--------------------------------------|--|---------------------------------|------------------------------|
| Barbour | 3,313 | 254 | 1,712 | 1,966 | 59.3% | 95 | 2.9% |
| Berkeley | 27,850 | 1,885 | 11,942 | 13,827 | 49.6% | 733 | 2.6% |
| Boone | 4,870 | 269 | 2,888 | 3,157 | 64.8% | 116 | 2.4% |
| Braxton | 2,922 | 147 | 1,484 | 1,631 | 55.8% | 98 | 3.4% |
| Brooke | 4,112 | 1 | 72 | 73 | 1.8% | 95 | 2.3% |
| Cabell | 19,229 | 909 | 9,080 | 9,989 | 51.9% | 443 | 2.3% |
| Calhoun | 1,388 | 98 | 827 | 925 | 66.6% | 46 | 3.3% |
| Clay | 2,031 | 127 | 1,305 | 1,432 | 70.5% | 61 | 3.0% |
| Doddridge | 1,394 | 93 | 685 | 778 | 55.8% | 42 | 3.0% |
| Fayette | 9,190 | 732 | 5,014 | 5,746 | 62.5% | 232 | 2.5% |
| Gilmer | 1,159 | 84 | 583 | 667 | 57.5% | 34 | 2.9% |
| Grant | 2,381 | 118 | 1,200 | 1,318 | 55.4% | 74 | 3.1% |
| Greenbrier | 7,002 | 603 | 3,619 | 4,222 | 60.3% | 217 | 3.1% |
| Hampshire | 4,576 | 294 | 2,279 | 2,573 | 56.2% | 181 | 4.0% |
| Hancock | 5,835 | 571 | 4,014 | 4,585 | 78.6% | 148 | 2.5% |
| Hardy | 2,833 | 221 | 1,567 | 1,788 | 63.1% | 100 | 3.5% |
| Harrison | 15,044 | 913 | 6,277 | 7,190 | 47.8% | 439 | 2.9% |
| Jackson | 6,419 | 317 | 3,032 | 3,349 | 52.2% | 165 | 2.6% |
| Jefferson | 13,314 | 703 | 3,885 | 4,588 | 34.5% | 379 | 2.8% |
| Kanawha | 37,910 | 2,170 | 19,080 | 21,250 | 56.1% | 826 | 2.2% |
| Lewis | 3,522 | 219 | 1,910 | 2,129 | 60.4% | 94 | 2.7% |
| Lincoln | 4,737 | 269 | 2,908 | 3,177 | 67.1% | 140 | 3.0% |
| Logan | 6,850 | 388 | 4,313 | 4,701 | 68.6% | 164 | 2.4% |
| Marion | 11,604 | 668 | 5,258 | 5,926 | 51.1% | 267 | 2.3% |
| Marshall | 6,263 | 311 | 2,505 | 2,816 | 45.0% | 160 | 2.6% |
| Mason | 5,782 | 255 | 2,801 | 3,056 | 52.9% | 144 | 2.5% |
| McDowell | 3,790 | 209 | 2,874 | 3,083 | 81.3% | 94 | 2.5% |
| Mercer | 12,553 | 915 | 8,015 | 8,930 | 71.1% | 293 | 2.3% |
| Mineral | 5,593 | 296 | 2,218 | 2,514 | 44.9% | 133 | 2.4% |
| Mingo | 5,446 | 247 | 3,769 | 4,016 | 73.7% | 153 | 2.8% |
| Monongalia | 17,800 | 908 | 5,369 | 6,277 | 35.3% | 444 | 2.5% |
| Monroe | 2,750 | 266 | 1,189 | 1,455 | 52.9% | 92 | 3.3% |
| Morgan | 3,319 | 250 | 1,497 | 1,747 | 52.6% | 118 | 3.6% |
| Nicholas | 5,218 | 359 | 2,925 | 3,284 | 62.9% | 139 | 2.7% |
| Ohio | 8,251 | 388 | 3,856 | 4,244 | 51.4% | 197 | 2.4% |
| Pendleton | 1,264 | 90 | 574 | 664 | 52.5% | 51 | 4.0% |
| Pleasants | 1,491 | 73 | 594 | 667 | 44.7% | 33 | 2.2% |
| Pocahontas | 1,509 | 118 | 790 | 908 | 60.2% | 49 | 3.2% |
| Preston | 6,566 | 421 | 2,934 | 3,355 | 51.1% | 226 | 3.4% |
| Putnam | 13,491 | 699 | 4,568 | 5,267 | 39.0% | 294 | 2.2% |
| Raleigh | 15,997 | 1,119 | 9,072 | 10,191 | 63.7% | 395 | 2.5% |
| Randolph | 5,463 | 456 | 2,875 | 3,331 | 61.0% | 150 | 2.7% |
| Ritchie | 1,974 | 101 | 1,111 | 1,212 | 61.4% | 72 | 3.6% |
| Roane | 3,035 | 262 | 1,697 | 1,959 | 64.5% | 99 | 3.3% |
| Summers | 2,212 | 170 | 1,478 | 1,648 | 74.5% | 61 | 2.8% |
| Taylor | 3,526 | 208 | 1,610 | 1,818 | 51.6% | 93 | 2.6% |
| Tucker | 1,171 | 122 | 523 | 645 | 55.1% | 35 | 3.0% |
| Tyler | 1,808 | 90 | 724 | 814 | 45.0% | 52 | 2.9% |

WVCHIP Enrollment Report

OCTOBER 2019

| County | County Pop. 2017 Est. (0-18 Yrs) | Total CHIP Enrollment Oct-19 | Total Medicaid Enrollment Oct-19 | Total CHIP/Medicaid Enrollment | CHIP/Medicaid % of Population | 2017 SAHIE Uninsured Est. | 2017 SAHIE % Uninsured |
|---------------|----------------------------------|------------------------------|----------------------------------|--------------------------------|-------------------------------|---------------------------|------------------------|
| Upshur | 5,112 | 365 | 2,908 | 3,273 | 64.0% | 140 | 2.7% |
| Wayne | 8,517 | 439 | 4,811 | 5,250 | 61.6% | 233 | 2.7% |
| Webster | 1,711 | 125 | 1,272 | 1,397 | 81.6% | 50 | 2.9% |
| Wetzel | 3,164 | 166 | 1,795 | 1,961 | 62.0% | 81 | 2.6% |
| Wirt | 1,257 | 66 | 673 | 739 | 58.8% | 41 | 3.3% |
| Wood | 18,379 | 1,077 | 8,836 | 9,913 | 53.9% | 405 | 2.2% |
| Wyoming | 4,477 | 302 | 2,613 | 2,915 | 65.1% | 111 | 2.5% |
| Totals | 378,374 | 22,926 | 183,410 | | 0.0% | 9,827 | 2.6% |



The above map shows the most recent 2017 county level data provided by the U.S. Census Bureau Small Area Health Insurance Estimates (SAHIE) for children under 19 years. While the statewide average for children under 19 is now about 2.6%, the SAHIE data reflects more accurately the variation from county to county depending on the availability of employer sponsored insurance and should be a more accurate way to target outreach than in previous years.