

Legislative Oversight Commission on  
Health and Human Resources Accountability

*SEPTEMBER 2016*

Department of Health and Human Resources

State Children's Health Insurance Program  
UPDATE



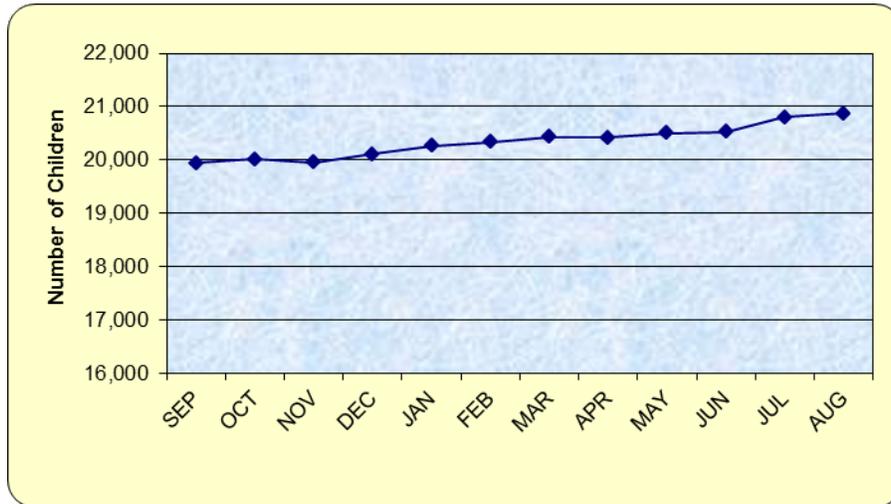
# WV CHILDREN'S HEALTH INSURANCE AGENCY

## REPORT FOR SEPTEMBER 2016

### I. Enrollment on August 31, 2016: 20,878

See Attachment 1 for enrollment by county.

Current 12-Month Enrollment Period: September 2015 through August 2016



New Enrollee Totals: June 2016 to August 2016

| Month  | Total | 1 Year  | Total |
|--------|-------|---------|-------|
| June   | 1,185 | Average | 1,461 |
| July   | 1,097 | High    | 1,732 |
| August | 1,341 | Low     | 1,190 |

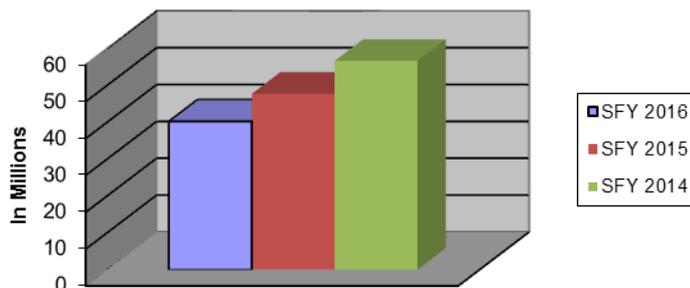
### II. Financial Activity

Please see this month's financial statement at Attachment 2.

The average annualized claims cost per child for the month ended June 2016 was \$2,100.

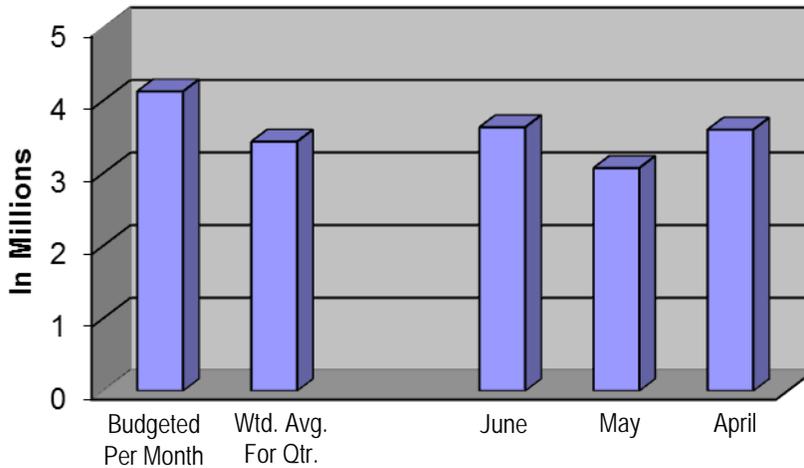
Annual Expenditures for a 3 Year Period: SFY 2014 – SFY 2016

|             | SFY 2016          | FFP% 2016     | SFY 2015          | FFP% 2015     | SFY 2014          | FFP% 2014     |
|-------------|-------------------|---------------|-------------------|---------------|-------------------|---------------|
| Federal     | 38,163,858        | 94.82         | 38,144,749        | 79.95         | 45,270,769        | 79.76         |
| State       | 2,086,764         | 5.18          | 9,596,089         | 20.05         | 11,375,109        | 20.24         |
| Total Costs | <b>40,250,622</b> | <b>100.00</b> | <b>47,740,838</b> | <b>100.00</b> | <b>56,645,879</b> | <b>100.00</b> |



**Monthly Budgeted and Current 3 Month Period: April 2016 – June 2016**

|              | Budgeted Per Month | Wtd. Avg. For Qtr. | Actual           |                  |                  |
|--------------|--------------------|--------------------|------------------|------------------|------------------|
|              |                    |                    | June 2016        | May 2016         | April 2016       |
| Federal      | 3,291,541          | 3,435,048          | 3,633,278        | 3,071,638        | 3,600,229        |
| State        | 835,266            | 0                  | 0                | 0                | 0                |
| <b>Total</b> | <b>4,126,807</b>   | <b>3,435,048</b>   | <b>3,633,278</b> | <b>3,071,638</b> | <b>3,600,229</b> |



**III. Other Highlights**

- ◆ CHIP enrollment on August 31, 2016, was 20,878 compared with 19,859 on August 31, 2015, a year ago, an increase of about 5%. The current enrollment when compared to the enrollment of two years ago, 22,888, reflects a decrease of about 9.5%, post ACA implementation.

# WVCHIP Enrollment Report

ATTACHMENT 1

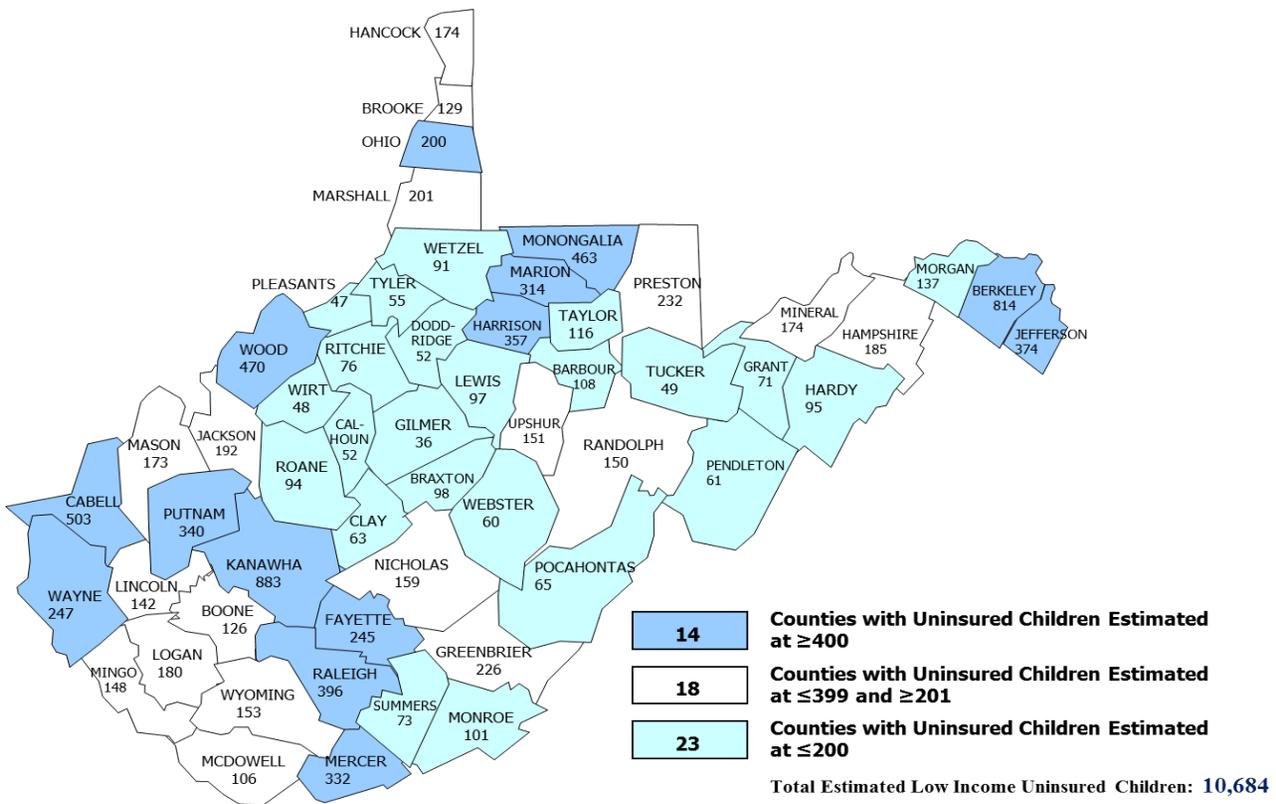
August 2016

| County     | County Pop.<br>2010 Est.<br>(0-18 Yrs) | Total CHIP<br>Enrollment<br>Aug-16 | Total Medicaid<br>Enrollment<br>Aug-16 | Total<br>CHIP/Medicaid<br>Enrollment | CHIP/Medicaid<br>Enrollment<br>% of Population | 2010<br>Est.<br>Uninsured<br>3% | 2010<br># Children<br>Uninsured<br>Ranking* |
|------------|--|------------------------------------|--|--------------------------------------|--|---------------------------------|---|
| Barbour    | 3,600                                  | 240                                | 1,722                                  | 1,962                                | 54.5%  | 108                             | 33  |
| Berkeley   | 26,251                                 | 1,414                              | 11,681                                 | 13,095                               | 49.9%  | 788                             | 2   |
| Boone      | 5,615                                  | 251                                | 3,431                                  | 3,682                                | 65.6%  | 168                             | 25  |
| Braxton    | 3,006                                  | 158                                | 1,711                                  | 1,869                                | 62.2%  | 90                              | 40  |
| Brooke     | 4,573                                  | 234                                | 1,693                                  | 1,927                                | 42.1%  | 137                             | 31  |
| Cabell     | 18,879                                 | 1,009                              | 9,478                                  | 10,487                               | 55.5%  | 566                             | 4   |
| Calhoun    | 1,518                                  | 77                                 | 858                                    | 935                                  | 61.6%  | 46                              | 51  |
| Clay       | 2,215                                  | 139                                | 1,449                                  | 1,588                                | 71.7%  | 66                              | 44  |
| Doddridge  | 1,673                                  | 78                                 | 785                                    | 863                                  | 51.6%  | 50                              | 48  |
| Fayette    | 9,438                                  | 729                                | 5,439                                  | 6,168                                | 65.4%  | 283                             | 13  |
| Gilmer     | 1,260                                  | 53                                 | 624                                    | 677                                  | 53.7%  | 38                              | 54  |
| Grant      | 2,555                                  | 110                                | 1,104                                  | 1,214                                | 47.5%  | 77                              | 42  |
| Greenbrier | 7,131                                  | 566                                | 3,658                                  | 4,224                                | 59.2%  | 214                             | 16  |
| Hampshire  | 5,392                                  | 220                                | 2,498                                  | 2,718                                | 50.4%  | 162                             | 27  |
| Hancock    | 6,166                                  | 319                                | 2,821                                  | 3,140                                | 50.9%  | 185                             | 20  |
| Hardy      | 3,015                                  | 166                                | 1,645                                  | 1,811                                | 60.1%  | 90                              | 39  |
| Harrison   | 15,202                                 | 835                                | 6,633                                  | 7,468                                | 49.1%  | 456                             | 7   |
| Jackson    | 6,602                                  | 380                                | 3,131                                  | 3,511                                | 53.2%  | 198                             | 18  |
| Jefferson  | 12,679                                 | 560                                | 3,865                                  | 4,425                                | 34.9%  | 380                             | 10  |
| Kanawha    | 39,771                                 | 1,955                              | 19,765                                 | 21,720                               | 54.6%  | 1,193                           | 1   |
| Lewis      | 3,389                                  | 222                                | 1,968                                  | 2,190                                | 64.6%  | 102                             | 37  |
| Lincoln    | 4,930                                  | 257                                | 3,269                                  | 3,526                                | 71.5%  | 148                             | 30  |
| Logan      | 7,496                                  | 385                                | 4,741                                  | 5,126                                | 68.4%  | 225                             | 15  |
| Marion     | 11,227                                 | 587                                | 5,385                                  | 5,972                                | 53.2%  | 337                             | 11  |
| Marshall   | 6,886                                  | 272                                | 3,100                                  | 3,372                                | 49.0%  | 207                             | 17  |
| Mason      | 5,929                                  | 242                                | 2,943                                  | 3,185                                | 53.7%  | 178                             | 21  |
| McDowell   | 4,423                                  | 212                                | 3,400                                  | 3,612                                | 81.7%  | 133                             | 32  |
| Mercer     | 12,764                                 | 847                                | 8,105                                  | 8,952                                | 70.1%  | 383                             | 9   |
| Mineral    | 5,868                                  | 240                                | 2,443                                  | 2,683                                | 45.7%  | 176                             | 23  |
| Mingo      | 5,905                                  | 232                                | 4,078                                  | 4,310                                | 73.0%  | 177                             | 22  |
| Monongalia | 15,294                                 | 799                                | 5,450                                  | 6,249                                | 40.9%  | 459                             | 6   |
| Monroe     | 2,835                                  | 231                                | 1,209                                  | 1,440                                | 50.8%  | 85                              | 41  |
| Morgan     | 3,596                                  | 227                                | 1,572                                  | 1,799                                | 50.0%  | 108                             | 34  |
| Nicholas   | 5,561                                  | 322                                | 3,065                                  | 3,387                                | 60.9%  | 167                             | 26  |
| Ohio       | 8,444                                  | 414                                | 3,633                                  | 4,047                                | 47.9%  | 253                             | 14  |
| Pendleton  | 1,462                                  | 69                                 | 636                                    | 705                                  | 48.2%  | 44                              | 52  |
| Pleasants  | 1,551                                  | 79                                 | 651                                    | 730                                  | 47.1%  | 47                              | 50  |
| Pocahontas | 1,561                                  | 129                                | 861                                    | 990                                  | 63.4%  | 47                              | 49  |
| Preston    | 6,536                                  | 396                                | 3,215                                  | 3,611                                | 55.2%  | 196                             | 19  |
| Putnam     | 13,150                                 | 588                                | 4,442                                  | 5,030                                | 38.3%  | 395                             | 8   |
| Raleigh    | 16,403                                 | 1,011                              | 9,643                                  | 10,654                               | 65.0%  | 492                             | 5   |
| Randolph   | 5,705                                  | 457                                | 2,948                                  | 3,405                                | 59.7%  | 171                             | 24  |
| Ritchie    | 2,205                                  | 114                                | 1,096                                  | 1,210                                | 54.9%  | 66                              | 45  |
| Roane      | 3,239                                  | 261                                | 1,870                                  | 2,131                                | 65.8%  | 97                              | 38  |
| Summers    | 2,521                                  | 150                                | 1,405                                  | 1,555                                | 61.7%  | 76                              | 43  |
| Taylor     | 3,514                                  | 191                                | 1,613                                  | 1,804                                | 51.3%  | 105                             | 35  |
| Tucker     | 1,371                                  | 97                                 | 588                                    | 685                                  | 50.0%  | 41                              | 53  |
| Tyler      | 1,924                                  | 95                                 | 866                                    | 961                                  | 49.9%  | 58                              | 47  |

# WVCHIP Enrollment Report

August 2016

| County        | County Pop. 2010 Est. (0-18 Yrs) | Total CHIP Enrollment Aug-16 | Total Medicaid Enrollment Aug-16 | Total CHIP/Medicaid Enrollment | CHIP/Medicaid % of Population | 2010 Est. Uninsured 3% | 2010 # Children Uninsured Ranking* |
|---------------|----------------------------------|------------------------------|----------------------------------|--------------------------------|-------------------------------|------------------------|------------------------------------|
| Upshur        | 4,996                            | 311                          | 2,912                            | 3,223                          | 64.5%                         | 150                    | 29                                 |
| Wayne         | 9,516                            | 376                          | 4,907                            | 5,283                          | 55.5%                         | 285                    | 12                                 |
| Webster       | 1,977                            | 117                          | 1,372                            | 1,489                          | 75.3%                         | 59                     | 46                                 |
| Wetzel        | 3,466                            | 185                          | 1,852                            | 2,037                          | 58.8%                         | 104                    | 36                                 |
| Wirt          | 1,201                            | 65                           | 763                              | 828                            | 69.0%                         | 36                     | 55                                 |
| Wood          | 18,956                           | 906                          | 9,544                            | 10,450                         | 55.1%                         | 569                    | 3                                  |
| Wyoming       | 5,116                            | 299                          | 3,111                            | 3,410                          | 66.7%                         | 153                    | 28                                 |
| <b>Totals</b> | <b>387,459</b>                   | <b>20,878</b>                | <b>192,647</b>                   | <b>213,525</b>                 | <b>55.1%</b>                  | <b>11,624</b>          |                                    |



The above map shows the most recent 2013 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 3%, 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.

**West Virginia Children's Health Insurance Program  
Comparative Balance Sheet**

**June 30, 2016 and 2015**

**(Accrual Basis)**

|  | <b>June 30, 2016</b>       | <b>June 30, 2015</b>       | <b>Variance</b>             |                    |
|--|----------------------------|----------------------------|-----------------------------|--------------------|
| <b>Assets:</b>                           |                            |                            |                             |                    |
| Cash & Cash Equivalents                  | \$6,546,839                | \$9,953,901                | (\$3,407,062)               | -34%               |
| Due From Federal Government              | \$12,321,254               | \$3,144,682                | \$9,176,572                 | 292%               |
| Due From Other Funds                     | \$0                        | \$740,039                  | (\$740,039)                 | -100%              |
| Accrued Interest Receivable              | \$6,236                    | \$7,491                    | (\$1,255)                   | -17%               |
| Fixed Assets, at Historical Cost         | <u>\$82,046</u>            | <u>\$82,046</u>            | <u>\$0</u>                  | <u>0%</u>          |
| <b>Total Assets</b>                      | <b><u>\$18,956,375</u></b> | <b><u>\$13,928,159</u></b> | <b><u>\$5,028,216</u></b>   | <b><u>36%</u></b>  |
| <b>Liabilities:</b>                      |                            |                            |                             |                    |
| Accounts Payable                         | \$1,238,344                | \$227,602                  | \$1,010,742                 | 444%               |
| Unpaid Insurance Claims Liability        | <u>\$9,450,000</u>         | <u>\$3,428,717</u>         | <u>\$6,021,283</u>          | <u>176%</u>        |
| <b>Total Liabilities</b>                 | <b><u>\$10,688,344</u></b> | <b><u>\$3,656,319</u></b>  | <b><u>\$7,032,025</u></b>   | <b><u>192%</u></b> |
| <b>Fund Equity</b>                       | <b><u>\$8,268,031</u></b>  | <b><u>\$10,271,840</u></b> | <b><u>(\$2,003,809)</u></b> | <b><u>-20%</u></b> |
| <b>Total Liabilities and Fund Equity</b> | <b><u>\$18,956,375</u></b> | <b><u>\$13,928,159</u></b> | <b><u>\$5,028,216</u></b>   | <b><u>36%</u></b>  |

## PRELIMINARY FINANCIAL STATEMENTS

Unaudited - For Management Purposes Only - Unaudited

**West Virginia Children's Health Insurance Program**  
**Comparative Statement of Revenues, Expenditures and Changes in Fund Balances**  
**For the Twelve Months Ending June 30, 2016 and June 30, 2015**  
**(Modified Accrual Basis)**

|                                       | June 30, 2016              | June 30, 2015              | Variance                    |                    |
|---------------------------------------|----------------------------|----------------------------|-----------------------------|--------------------|
| <b>Revenues</b>                       |                            |                            |                             |                    |
| Federal Grants                        | \$44,164,727               | \$37,938,660               | \$6,226,067                 | 16%                |
| State Appropriations                  | \$0                        | \$6,093,437                | (\$6,093,437)               | -100%              |
| Premium Revenues                      | \$1,360,586                | \$1,209,744                | \$150,842                   | 12%                |
| Investment Income:                    |                            |                            |                             |                    |
| Investment Earnings                   | <u>\$65,271</u>            | <u>\$75,140</u>            | <u>(\$9,869)</u>            | <u>-13%</u>        |
| <b>Total Revenues</b>                 | <b><u>\$45,590,584</u></b> | <b><u>\$45,316,981</u></b> | <b><u>\$273,603</u></b>     | <b><u>1%</u></b>   |
| <b>Expenditures:</b>                  |                            |                            |                             |                    |
| Claims:                               |                            |                            |                             |                    |
| Outpatient Services                   | \$10,297,894               | \$12,319,675               | (\$2,021,781)               | -16%               |
| Physicians & Surgical                 | \$10,322,869               | \$9,050,279                | \$1,272,590                 | 14%                |
| Prescribed Drugs                      | \$8,913,432                | \$8,453,297                | \$460,135                   | 5%                 |
| Dental                                | \$5,415,059                | \$6,088,365                | (\$673,306)                 | -11%               |
| Inpatient Hospital Services           | \$3,770,040                | \$3,034,938                | \$735,102                   | 24%                |
| Outpatient Mental Health              | \$844,630                  | \$1,265,905                | (\$421,275)                 | -33%               |
| Durable & Disposable Med. Equip.      | \$820,628                  | \$987,524                  | (\$166,896)                 | -17%               |
| Inpatient Mental Health               | \$541,469                  | \$840,634                  | (\$299,165)                 | -36%               |
| Vision                                | \$694,743                  | \$668,068                  | \$26,675                    | 4%                 |
| Therapy                               | \$1,029,313                | \$613,821                  | \$415,492                   | 68%                |
| Medical Transportation                | \$422,902                  | \$354,895                  | \$68,007                    | 19%                |
| Other Services                        | \$461,018                  | \$87,660                   | \$373,358                   | 426%               |
| Less: Collections**                   | <u>-\$1,222,807</u>        | <u>-\$976,356</u>          | <u>(\$246,451)</u>          | <u>25%</u>         |
| Total Claims                          | <u>\$42,311,190</u>        | <u>\$42,788,705</u>        | <u>(\$477,515)</u>          | <u>-1%</u>         |
| General and Admin Expenses:           |                            |                            |                             |                    |
| Salaries and Benefits                 | \$570,269                  | \$609,865                  | (\$39,596)                  | -6%                |
| Program Administration                | \$3,177,851                | \$3,347,357                | (\$169,506)                 | -5%                |
| Eligibility                           | \$363,476                  | \$72,020                   | \$291,456                   | 405%               |
| Outreach & Health Promotion           | \$12,898                   | \$474,758                  | (\$461,860)                 | -97%               |
| Current                               | <u>\$165,965</u>           | <u>\$207,078</u>           | <u>(\$41,113)</u>           | <u>-20%</u>        |
| Total Administrative                  | <u>\$4,290,459</u>         | <u>\$4,711,078</u>         | <u>(\$420,619)</u>          | <u>-9%</u>         |
| <b>Total Expenditures</b>             | <b><u>\$46,601,649</u></b> | <b><u>\$47,499,783</u></b> | <b><u>(\$898,134)</u></b>   | <b><u>-2%</u></b>  |
| <b>Excess of Revenues</b>             |                            |                            |                             |                    |
| <b>Over (Under) Expenditures</b>      | <b><u>-\$1,011,065</u></b> | <b><u>-\$2,182,802</u></b> | <b><u>\$1,171,737</u></b>   | <b><u>-54%</u></b> |
| Unrealized Gain(loss) On Investments* | \$20,261                   | -\$8,629                   | \$28,890                    | -335%              |
| <b>Fund Equity, Beginning</b>         | <b><u>\$10,674,682</u></b> | <b><u>\$12,866,113</u></b> | <b><u>(\$2,191,431)</u></b> | <b><u>-17%</u></b> |
| Adjustments to Fund Equity            | -\$1,415,847               | -\$402,842                 | (\$1,013,005)               | 0%                 |
| <b>Fund Equity, Ending</b>            | <b><u>\$8,268,031</u></b>  | <b><u>\$10,271,840</u></b> | <b><u>(\$2,003,809)</u></b> | <b><u>-20%</u></b> |

\*\* Collections are primarily drug rebates and subrogation

**PRELIMINARY FINANCIAL STATEMENTS**

**West Virginia Children's Health Insurance Program**  
**WVFIMS Fund 5071**  
**For the Month June 30, 2016**  
**(Accrual Basis)**

**Investment Account**

|                 |                           |
|-----------------|---------------------------|
| Funds Invested  | \$6,360,354               |
| Interest Earned | <u>6,236</u>              |
| <b>Total</b>    | <b><u>\$6,366,590</u></b> |

Unaudited - For Management Purposes Only - Unaudited