

HEALTHY STEPS FUNDING (CHILDREN'S HEALTH INSURANCE PROGRAM)

The 2009-11 executive budget recommendation for the Healthy Steps program includes a total of \$35.2 million. Of this total, \$9.1 million is from the general fund. Compared to the 2007-09 biennium appropriation, the executive budget is recommending an increase of \$15 million, \$4.5 million of which is from the general fund.

The executive budget recommends raising eligibility requirements for the program to 200 percent of the federal poverty level based on net income and serving a monthly average caseload of 6,021 children for the 2009-11 biennium. In September 2008 3,911 children were covered by the program. The 2009-11 executive budget includes funding for a monthly premium increase of \$41.53, or 20.52 percent, over the 2007-09 budgeted premium.

The schedule below compares the 2009-11 executive budget recommendation to 2007-09 projected expenditures:

	2003-05 Actual Expenditures	2005-07 Actual Expenditures	2007-09 Projected Expenditures¹	2009-11 Executive Budget	2009-11 Executive Budget Increase (Decrease) to 2007-09 Projected	2009-11 Executive Budget Percentage Increase (Decrease) to 2007-09 Projected
General fund	\$1,800,510	\$3,717,122	\$5,206,805	\$9,122,897	\$3,916,092	75.21%
Federal funds	6,769,259	11,724,327	15,205,952	26,125,232	10,919,280	71.81%
Other funds	0	0	0	0	0	
Total	\$8,569,769	\$15,441,449	\$20,412,757	\$35,248,129	\$14,835,372	72.68%

¹Based upon actual expenditures incurred through November 2008.

Federal Medical Assistance Percentage and North Dakota's Allocation

The schedule below summarizes the federal medical assistance percentage (FMAP) and North Dakota's allocation of federal funds for the Healthy Steps program:

Federal Fiscal Year Ending	FMAP¹	North Dakota Allocation
September 30, 1998	79.30%	\$5,041,000
September 30, 1999	78.96%	\$5,017,000
September 30, 2000	79.29%	\$5,656,000
September 30, 2001	78.99%	\$6,576,000
September 30, 2002	78.91%	\$5,333,000
September 30, 2003	77.85%	\$5,437,000
September 30, 2004	77.82%	\$5,437,000
September 30, 2005	77.24%	\$6,384,719
September 30, 2006	76.10%	\$6,346,156
September 30, 2007	75.30%	\$7,737,529
September 30, 2008	74.63%	\$11,017,680 ²
September 30, 2009 (estimate)	74.21%	\$15,770,676 ³
September 30, 2010 (estimate)	74.11%	\$20,130,423 ⁴
September 30, 2011 (estimate)	74.11%	\$21,609,156 ⁴

¹The federal fiscal relief FMAP was in effect for five quarters--April 2003 through June 2004.

²This amount includes one-time additional federal funding of \$3,128,684.

³The actual allotment of \$7.9 million is only through March 31, 2009. The children's health insurance program will need to be reauthorized or extended by Congress.

⁴These figures are projected based upon costs included in the 2009-11 executive budget recommendation and are contingent upon reauthorization or extension by Congress and approval by the Centers for Medicare and Medicaid Services to increase eligibility to 200 percent of federal poverty level based upon net income.

Children Enrolled and Premium Rates

The schedule below summarizes the average number of children enrolled each year, premium expenditures, and premium rates in effect for the majority of the year for the majority of children covered:

State Fiscal Year Ending	Monthly Average Children Enrolled	Premium Expenditures	Monthly Average Premium Rates
June 30, 2000	1,168	\$1,321,417	\$108.64
June 30, 2001	2,092	\$2,955,445	\$110.35
June 30, 2002	2,534	\$3,823,196	\$127.17
June 30, 2003	2,099	\$3,213,705	\$127.67
June 30, 2004	2,301	\$4,220,838	\$154.30
June 30, 2005	2,322	\$4,348,931	\$154.78
June 30, 2006	3,278	\$7,156,204	\$181.90
June 30, 2007	3,764	\$8,285,245	\$183.45
June 30, 2008	4,006	\$9,725,149	\$202.32
June 30, 2009	4,403 ¹	\$10,687,609 ¹	\$202.28
June 30, 2010	5,645 ²	\$16,524,062 ²	\$243.93 ²
June 30, 2011	6,397 ²	\$18,724,067 ²	\$243.93 ²

¹Projected.

²These figures are projected based upon costs included in the 2009-11 executive budget recommendation and are contingent upon reauthorization or extension by Congress and approval by the Centers for Medicare and Medicaid Services to increase eligibility to 200 percent of federal poverty level based upon net income.