

MediKids

Health Insurance Act

Health Coverage for **EVERY** Infant, Child, Adolescent and Young Adult

The MediKids Health Insurance Act represents the American Academy of Pediatrics' gold standard for access to care for all children.

The Problem: Too Many Children are Uninsured

Although Medicaid and the State Children's Health Insurance Program have helped reduce the number of uninsured low-income children by one third over the last decade, there are still too many children in this country who are uninsured. Currently, more than 9 million children and adolescents lack basic health care coverage, accounting for nearly one-fifth of the nation's uninsured population. While approximately six million of these children are eligible for Medicaid and SCHIP, there is growing concern that we might never achieve health care for every child and adolescent in America with existing cost containment and health care programs.

Uninsured children are vulnerable to long term effects of not receiving preventive health services. Compared to insured children, uninsured children:

- Are more likely to be hospitalized for conditions that could have been treated by a primary care doctor;
- Are up to six times more likely to have gone without needed medical, dental or other health care;
- Are two times more likely to have gone without a physician visit during the previous year;
- Are up to four times more likely to have received delayed care because their parents were worried about the cost of treatment;
- Are up to ten times less likely to have a regular source of care.

Even though children are the least expensive segment of the population to insure, 9 million children continue to go without health insurance. Without preventive care, uninsured children are much more susceptible to communicable and other illnesses and, once sick, are barred from finding insurance to pay for their care. These children often get their care too late and end up being seen in emergency rooms or hospital clinics, thus driving up overall health costs.

The Solution: The MediKids Health Insurance Act

There is no better investment than preventing health problems, and promoting healthy development of the nation's children. Studies have shown that preventive care early in life is imperative to developmental and educational success.

The MediKids Health Insurance Act would create a streamlined and comprehensive system that would achieve the American Academy of Pediatrics' goal of health insurance for all children regardless of family income.

With health reform a major concern for many families, the time is right to make the health and wellbeing of America's children a national priority.

Overview: The MediKids Health Insurance Act

History: Medikids was first introduced in 2000 in the 106th Congress, Senator John D. Rockefeller (D-WV) and Representative Pete Stark (D-CA) have served as the champions of the legislation, and have reintroduced the legislation in the Senate and House of Representatives in the past four Congresses. Both the Senate bill (S. 2522) and the House companion bill (HR 2357) have been referred to their committees.

Last Major Action:

- S 2522 was introduced December 19, 2007. The bill was referred to the Senate Finance Committee. The bill currently has 2 cosponsors.
- HR 2357 was introduced May 17, 2007. The bill was referred to the House Energy and Commerce Subcommittee on Health. The bill currently has 31 cosponsors.

The Details:

Enrollment:

- Automatic enrollment into MediKids at birth for every child born after 12/31/2008.
- Five year enrollment phase-in for all other children through age 22.
 - Phase-in Schedule
 - Year 1: All children through age 5.
 - Year 2: All children through age 10.
 - Year 3: All children through age 15.
 - Year 4: All children through age 20.
 - Year 5: All children through age 22.
- Once enrolled, children will remain enrolled in the program until they reach the age of 23.

Choice of Coverage:

- Private commercial insurance will be maintained. Parents can decline MediKids and keep their children in private insurance or government programs such as Medicaid or SCHIP.
- During periods of equivalent coverage by other sources, there will be no premium charged for MediKids given the individual demonstrates to the satisfaction of the Secretary that the individual has basic health insurance coverage for that month.
- During any lapse in other insurance coverage, MediKids will automatically cover child health insurance needs.

Affordability:

- Families with incomes below 150% of the federal poverty level (FPL) would not have to pay a premium or out-of-pocket expenses
- Premiums for families with incomes between 150 and 300% of the FPL would be based on a sliding scale according to income and capped at 5% of income
- Guaranteed refundable tax credit for cost sharing

Benefits:

- Based on Medicare and Medicaid Early Periodic Screening, Diagnosis, and Treatment (EPSDT) benefits for children.
 - EPSDT is the child health component of Medicaid. It's required in every state and is designed to improve the health of low-income children, by financing appropriate and necessary pediatric services.
 - The Deficit Reduction Act (DRA) of 2005 (P.L. 109-171) now provides states with the authority to fundamentally redefine the meaning of Medicaid coverage for beneficiaries, including low-income children covered through EPSDT, thus limiting the scope of EPSDT and consequently the benefits available to children.
- Prescription drug benefit
- The Secretary of Health and Human Services shall further develop age-appropriate benefits as needed
- The Secretary shall include provisions for annual reviews and updates to the benefits, with input from the pediatric community.