



SPEAK NOW FOR KIDS

CHILDREN NEED A VOICE IN HEALTH REFORM

Why Should You Speak Now for Kids in Health Reform?

How many children in the U.S. have health care coverage?

Most (89 percent) of the 77.7 million children in the U.S. are insuredⁱ in one way or another however there are 8.8 million children (about 11 percent of all children) who are not insured.ⁱⁱ

Is it important for children to have health care coverage?

- Children are more likely to get treatment for recurring illnesses and preventative care from a physician or dentist if they have insurance. As a result, they get sick less often and get needed treatment when they are sick.
- Uninsured children and those who don't have comprehensive insurance coverage are more likely to lack a usual source of care. Their caregivers are more likely to delay or forgo care they may need. As a result, they are more likely to be admitted to hospitals through emergency rooms.ⁱⁱⁱ
- Unhealthy children are more likely to miss school and their parents to miss work to care for them.
- Many adult chronic health conditions have their origins in childhood. Chronic health conditions among children, such as asthma, obesity and developmental, learning and psychiatric disorders, are on the rise.^{iv}

What types of health insurance coverage are available for children under our current system?

Under our current health care system, children with insurance are covered by both private and public (government) plans.

- Most insured children (60 percent) have private health insurance coverage.^v

- More than a quarter of all insured children (28 percent) are covered by Medicaid and/or the Children's Health Insurance Program, which are government-run programs aimed at families with lower incomes, individuals with complex health care needs, and children whose parents work but do not have access to health insurance coverage for their children.^{vi}
- An increasing number of families depend on a mix of public and private insurance. Some of those families include children with complex medical conditions who require the specialized health care services that only Medicaid provides.

What is private health insurance and how do children get it?

- Children with private health insurance are covered as dependents through their parents' or guardians' plans. Most private coverage is sponsored by employers, but some is obtained through the individual health insurance market.^{vii}
- Private coverage varies widely in terms of the type and scope of benefits, the cost of premiums, and the amount of cost-sharing (premiums and co-payments) that families must pay.^{viii}

What is Medicaid?

- Medicaid was established in 1965 and mainly serves low-income children and children with disabilities, the elderly and adults with disabilities.
- Medicaid is an entitlement program, which means that you qualify if you meet certain criteria. The costs of the program are shared between the federal government and the states.
- Medicaid is known as a health care "safety net" for millions of low-income children who don't have access to or can't afford private insurance coverage.



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- Under broad federal guidelines, each state establishes its own standards for Medicaid eligibility, benefits package and health care provider (hospital, doctor) payment rates. That has led to wide variation across states in eligibility guidelines, the types of services covered, and the delivery of those services.
- Federal law requires that every state's Medicaid program pays for services identified as "medically necessary," including physician and hospital visits, well-child care, health screenings, vision care, dental services, and an array of specialized services for children with disabilities.

What is the Children's Health Insurance Program?

- The Children's Health Insurance Program (CHIP) was established in 1997 and complements the Medicaid program by providing health coverage to uninsured children in families with incomes that are too high for Medicaid coverage but cannot afford or do not have access to private insurance.
- Like Medicaid, CHIP coverage varies across states, because states can set their own eligibility levels. Cost sharing requirements (premiums and co-payments) service delivery and other aspects of the program may vary as well.
- Unlike Medicaid, CHIP is not an entitlement program. That means the funding is capped and not every eligible child can enroll.
- Unlike Medicaid, most state CHIP programs do not provide the breadth of services that Medicaid provides.

How is the current system of health care coverage working for children?

- Children's coverage varies significantly across states. A child's chances of being uninsured ranges from a low of 5 percent in Michigan to a high of 20 percent in Texas.^{ix}
- A growing number of employers are cutting back on health benefits or imposing greater costs on their employees for health care coverage. When a parent loses a job, the family often loses its health insurance. Children in these families are more likely to lack a regular source of health care and are at greater risk of hospitalization for preventable conditions.^x
- Medicaid and CHIP have been successful in providing health care coverage to needy children, but the variation in benefits, eligibility and quality of care from state to state is significant.
- Children with Medicaid or CHIP coverage are not always guaranteed access to health care. For example, they may not be able to find a specialty provider in their community or may experience excessive waiting times for appointments.
- Even with insurance, children receive only 68 percent of recommended care for acute medical problems, 53 percent of recommended care for chronic medical conditions, and 41 percent of recommended preventive care. Children with asthma receive only 46 percent of the care they need.^{xi}

Now that you know more about how children receive health coverage and health care services in this country, will you speak out for them?

i Kaiser Commission on Medicaid and the Uninsured and Urban Institute analysis of 2007 and 2008 ASEC Supplement to the CPS. Updated October 15, 2008.

ii American Academy of Pediatrics. Children's Health Insurance Status and Medicaid/SCHIP Eligibility and Enrollment, 2007: State Reports. September 2008. Available online: <http://www.aap.org/research/cps.pdf>.

iii CDC, National Center for Health Statistics, 2006. Summary of Health Statistics for U.S. Children, National Health Interview Survey, 2005.

iv Wise, R.H. The Transformation of Child Health in the United States, *Health Affairs*, 23, no.5 (2004).

v American Academy of Pediatrics. Children's Health Insurance Status and Medicaid/SCHIP Eligibility and Enrollment, 2007: State Reports. September 2008. Available online: <http://www.aap.org/research/cps.pdf>.

vi American Academy of Pediatrics. Children's Health Insurance Status and Medicaid/SCHIP Eligibility and Enrollment, 2007: State Reports. September 2008. Available online: <http://www.aap.org/research/cps.pdf>.

vii Kaiser Commission on Medicaid and the Uninsured and Urban Institute analysis of 2007 and 2008 ASEC Supplement to the CPS. Updated October 15, 2008.

viii Comparing Public and Private Health Insurance for Children, Ku, L., Center on Budget and Policy Priorities, May 11, 2007.

ix Challenges of Providing Health Coverage for Children and Parents in a Recession: A 50 State Update on Eligibility Rules, Enrollment and Renewal Procedures, and Cost-Sharing Practices in Medicaid and SCHIP in 2009. Data based on a national survey conducted by the Center on Budget and Policy Priorities for the Kaiser Commission on Medicaid and the Uninsured, January 2009. Available online: <http://www.kff.org/medicaid/7855.cfm>.

x Sommers, B.D., The Impact of Program Structure On Children's Disenrollment From Medicaid and SCHIP, *Health Affairs*, Vol 24, No 6, 1611-1618.

xi Mangione-Smith, R., et al, "The Quality of Ambulatory Care Delivered to Children in the United States", *New England Journal of Medicine*, Vol. 357 No. 15:1515-1523, Oct. 11, 2007.