

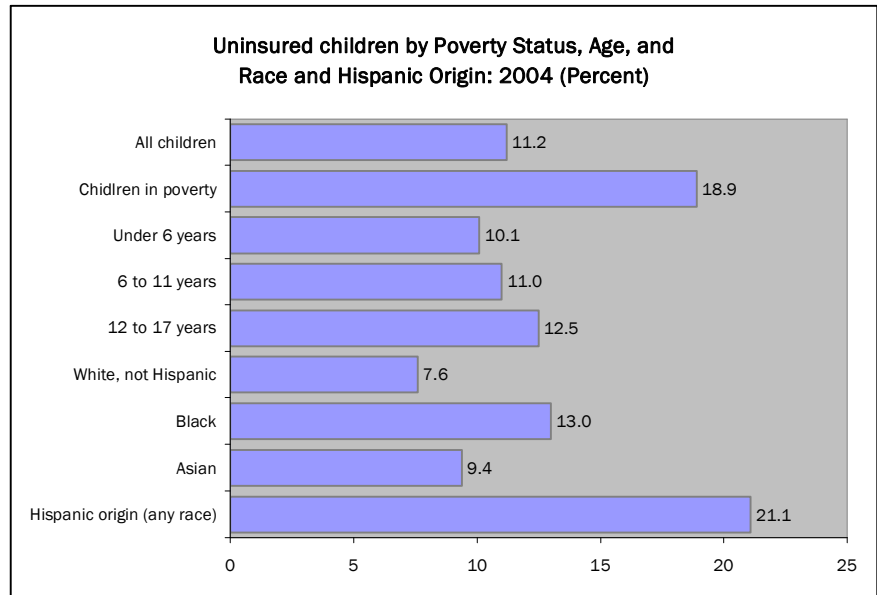


What Docs Should Know About... Public Health Insurance for Children

www.DocsForTots.org

While most children are enrolled in some form of health care coverage, 11.2% or about 8.3 million children under age 18 remained uninsured in 2004. Children in poverty (18.9%) were more likely to be uninsured than the population of all children (11.2%). Ten percent of children under age 6 were uninsured in 2004.¹

- The State Children's Health Insurance Program (SCHIP) was created to work in partnership with Medicaid to expand health care coverage to uninsured low-income children. Both programs are funded through a federal and state partnership, and are implemented by states following general federal guidelines.
- States can administer SCHIP as an expansion of Medicaid (17 states), a separate child health program (16 states), or a combination of both (18 states). When states have separate programs, applications to Medicaid and SCHIP are typically coordinated.²
- In FY 2004, 20.5 million children under age 18 were enrolled in Medicaid.³ 3.9 million children were enrolled in SCHIP during the fourth quarter of FY 2005.⁴
- Medicaid assures that children can receive preventive services such as developmental, vision, dental and hearing screenings through the Early, and Periodic Screening, Diagnostic, and Treatment (EPSDT) program. In some states, SCHIP benefits may be less generous.



Note: A group such as Asian is defined as those who reported Asian and no other race. Source: U.S. Census Bureau, Current Population Survey, 2005 Annual Social and Economic Supplement.

While many states have taken steps to simplify enrollment in SCHIP and Medicaid, some states have administrative barriers that make it more difficult to enroll in SCHIP and Medicaid.

- SCHIP and Medicaid provide health care to low-income children up to age 18. Typically, Medicaid serves children with incomes below the poverty line (\$20,000 for a family of four in 2006) or slightly higher, while SCHIP serves children from families with income too high to qualify for Medicaid but too low to be able to afford private health insurance. Each state sets its own guidelines for SCHIP eligibility. For 2005, the most common income limit for a separate SCHIP program was \$32,180 for a family of four annually, but states' limits ranged between \$22,526 and \$56,315.⁵
- Procedures for application and renewal of insurance coverage vary by state. Relatively simple, family-friendly procedures such as mail-in applications, self-declaration of income (as opposed to requiring parents to document income through pay stubs, etc.), and 12-month continuous eligibility (guaranteed eligibility for the 12-month period, regardless of any change in the child's family income or structure) can make it easier for children to gain and keep insurance coverage.⁶ Families can face barriers to enrollment when such procedures are not available.
- In some states, families enrolled in SCHIP are subject to application fees and co-pays, depending on their income level.

¹ U.S. Census Bureau. (2005). *Income, Poverty, and Health Insurance Coverage in the United States: 2004*. <http://www.census.gov/prod/2005pubs/p60-229.pdf>.

² Centers for Medicare and Medicaid Services. (2003) *Implementation of State Children's Health Insurance Program: Synthesis of State Evaluations*. Background for report to Congress. http://www.cms.hhs.gov/NationalSCHIPPolicy/07_EvaluationsAndReports.asp#TopOfPage

³ Kaiser Family Foundation. (2004). *Distribution of Nonelderly with Medicaid by Age, states (2003-2004)*, U.S. <http://www.statehealthfacts.org/cgi-bin/healthfacts.cgi>.

⁴ Centers for Medicare and Medicaid Services. (2005). *SCHIP Enrollment Reports. FY 2005 Quarter 4 Enrollment Reports*. Retrieved 23 June 2006. <http://www.cms.hhs.gov/NationalSCHIPPolicy/SCHIPER/list.asp#TopOfPage>.

⁵ Kaiser Family Foundation. (2005). *Income Eligibility Levels for Children's Separate SCHIP Program by Annual Incomes and as a percent of Federal Poverty Level, 2005*. <http://www.statehealthfacts.org/cgi-bin/healthfacts.cgi>.

⁶ Kaiser Family Foundation. (2006). *Outreach Strategies for Medicaid and SCHIP: An overview of effective strategies and activities*. <http://www.kff.org/medicaid/upload/7495.pdf>.

Access to continuous and comprehensive health care services improves the overall health of a child.

- Continuous and comprehensive primary care is important to healthy child development. Twenty-two percent of uninsured children have at least one unmet health care need per year, whereas only 6% of insured children have at least one unmet health care need per year. Unmet healthcare needs include preventive care, immunizations, dental care, and vision care.⁷
- Health care services are particularly critical for children eligible for Medicaid and SCHIP since they are more likely to be in poor health, have asthma, learning disabilities, and medical conditions that require regular prescriptions.⁸
- While Medicaid and SCHIP recipients are almost as likely as privately insured children to have a usual source of care, uninsured children typically do not have a usual source of care.⁹
- Health care and coverage for the entire family is important as children with uninsured siblings or parents are less likely to receive well-child visits.¹⁰ However, eligibility requirements often cause siblings to have different coverage options.

SCHIP and Medicaid are particularly important in times of economic downturn. However, state budget deficits threaten access to these programs.

- Research shows that SCHIP and Medicaid have helped lower the number of uninsured children in the U.S. over the past decade. However, state budget problems are threatening progress of children's coverage in many states.¹¹
- State budget problems can lead to a variety of cost containment measures that impact families' access to services such as introducing barriers to the enrollment process, enrollment freezes, waiting lists, lowering income eligibility limits, reducing services offered, instituting co-pays, and reviewing eligibility (which requires additional administrative steps for families) on a more frequent basis.¹²
- The SCHIP program was created in 1997 and authorized for 10 years up to 2007. As the program continues to grow, states are facing funding shortfalls. On the basis of state estimates for SCHIP funding required for 2007, 18 states will face funding shortfalls, totaling \$946 million. This could jeopardize health care coverage for many low-income children.¹³

Docs can get involved by helping families access SCHIP, Medicaid, and other support services, and by advocating for child-friendly policies and programs.

- Docs can help ensure that families know about SCHIP and Medicaid, and have the assistance they require in applying for benefits. The Department of Health and Human Services web site, Insure Kids Now (<http://www.insurekidsnow.gov>), helps children and families find health insurance. Links to state Medicaid and SCHIP websites can be found here as well.
- Contact Docs For Tots (dft@DocsForTots.org) for help in advocating for SCHIP, Medicaid and other programs for children.

Additional Resources for Docs

- Kaiser Family Foundation: State Health Facts Online. <http://www.statehealthfacts.org> and Commission on Healthcare and the Uninsured. <http://kff.org/about/kcmu.cfm>
- Center for Budget and Policy Priorities. A Chartbook about the Roles of Medicaid and SCHIP. <http://www.cbpp.org/1-15-04health.htm>

⁷ Kaiser Family Foundation. (2002). *Children's Health- Why Health Insurance Matters*. Kaiser Commission on Medicaid and the Uninsured. Retrieved June 8, 2004, from, <http://kff.org/uninsured/4055-index.cfm>

⁸ Ku, Leighton, Nimalendran, Sashi. (2004). *Improving Children's Health: A Chartbook about the Roles of Medicaid and SCHIP*. Center on Budget and Policy Priorities. Retrieved June 14, 2004, from, <http://www.cbpp.org/1-15-04health.htm>

⁹ Ibid.

¹⁰ Davidoff, Amy. (2003). *The effect of parents' insurance coverage on access to care for low-income children*. Inquiry- Excellus Health Plan 40: 255.

¹¹ Children's Defense Fund. (2005). *The State of America's Children*. Child Health: Fighting Poverty and poor health. <http://www.childrensdefense.org/publications/greenbook/>.

¹² Hill, Ian, Stockdale, Holly, Courtot, Bridgette. (2004). *Squeezing SCHIP: States Use Flexibility to Respond to the Ongoing Budget Crisis*. Urban Institute. Retrieved June 23, 2004, from <http://www.urban.org/Template.cfm?Section=ByTopic&NavMenuID=62&template=/TaggedContent/ViewPublication.cfm&PublicationID=8883>

¹³ Voices for America's Children. (2006). *Children's Health Insurance Programs: Funding Shortfalls and Implications*. www.voicesforamericaschildren.org.