Without Improvements Health Reform Could Leave Millions of Children Worse Off

Children Enrolled in CHIP Could Be Moved to More Expensive Health Coverage with Fewer Benefits



Children's Defense Fund

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As the health care debate heats up, the needs of children are being pushed aside by special interest groups and loud noise from town hall meetings. Health reform is taking shape in a way that could leave millions of children worse–rather than better–off at the same time that insurance companies and drug companies stand to make billions in additional profits. Under the current health proposals, millions of children could face higher costs for health coverage and have fewer benefits. **No child should be left worse off as a result of health reform.**

Health care reform is complicated, but ensuring that children have access to the health care they need to grow up healthy is not. No matter what type of health care system Congress decides to implement, there are three elements that would make it simple for all children to enroll in affordable and comprehensive health coverage:

1. The health system must be simple and seamless with a streamlined application and enrollment process to make it easy for children to get and stay enrolled. State bureaucratic barriers now keep about two-thirds of the uninsured children who are eligible for CHIP or Medicaid from enrolling.

In addition to keeping children out of health care coverage, barriers like frequent renewal requirements have been shown to actually increase costs by creating major additional administrative burdens. Unless health reform requires states to eliminate excessive enrollment barriers and implement a simplified application and enrollment process, millions of children eligible for health coverage through CHIP and Medicaid could continue to be uninsured.

2. Benefits must be comprehensive. Health reform must guarantee every child access to all medically necessary health and mental health services from head to toe to maximize a child's health and development.

A comprehensive benefit package recognizes the importance for children of all ages to get regular and periodic screenings and assessments at various intervals throughout their lives. It also takes the next step to guarantee children the full range of comprehensive primary and preventive coverage they need and all medically necessary treatment to address health and mental health problems and chronic health conditions identified through these screens. This level of coverage is widely considered to be the best standard for age-appropriate child health coverage.

3. Coverage must be affordable. All children up to 300 percent of the federal poverty level (about $66,000 for a family of four) need cost sharing protections consistent with current out-of-pocket limits in Medicaid.

Research shows that premiums in Medicaid and CHIP reduce enrollment if the cost is too high relative to a families' income and other expenses. High premiums prevent families from applying and also cause them to disenroll. In addition, high co-payments can dissuade families from accessing needed services.