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GEORGETOWN REPORT FINDS PROGRESS ON CHILDREN'S HEALTH CARE COVERAGE THREATENED BY ECONOMY

Washington -- Ten years of progress on children's health care coverage is threatened by increasing unemployment, declining state revenues, and a growing affordability gap between family income and the cost of healthcare coverage, according to a report released today by the Center for Children and Families at Georgetown University's Health Policy Institute.

“When a parent loses a job, the family often loses its only access to affordable healthcare coverage for themselves and their children,” said Jocelyn Guyer, Deputy Executive Director of the research and policy center. “Behind the alarming unemployment numbers are a lot of uninsured families struggling to keep their kids safe and healthy.”

The report estimates that over the past year, 4.1 million people have lost their employer-based coverage. Of the 4.1 million, about 1.2 million were children. If the unemployment rate rises to 7.5 percent as many economists are predicting, an estimated 6.5 million more people will lose employer-sponsored health care coverage including 1.9 million children.

To illustrate the impact losing healthcare coverage can have on a family, the report highlights the story of the Secrest family of Martinsville, Virginia. Greg Secrest, a father of three, lost his job when the furniture manufacturer he worked for moved his job overseas. Secrest said he would have to spend more than \$1,200 per month to maintain his family's healthcare coverage – an amount that far exceeds his ability to pay. He applied for FAMIS, the Virginia State Children's Health Insurance Program (SCHIP) and is waiting to learn if his sons will qualify for coverage.

“Once I hear my kids have health care coverage, it will be a load off my mind,” said Secrest. “Making sure the boys are healthy and happy can make the rest of my family's problems seem small. Everything we have can be replaced with time and hard work but they cannot.”

Programs that help provide families with the opportunity to purchase affordable healthcare coverage, such as SCHIP and Medicaid, are crucial lifelines for families struggling in these difficult economic times, according to the report. However, these programs are threatened by the “vice grip” of increasing demand and decreasing state resources.

“The nation is at a critical juncture in its commitment to coverage for America's families,” said

the CCF report. “It must decide whether it will sustain and strengthen this commitment or allow it to fall victim to the fiscal pressures confronting states and the federal government.”

The report identifies options policymakers could consider to address the crisis including temporarily increasing federal support for Medicaid and promptly reauthorizing SCHIP to soften the impact of the economic downturn on uninsured children. Copies of the report “Keeping the Promise to Children and Families in Tough Economic Times” are available from <http://ccf.georgetown.edu>.

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