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## **Center for Children and Families Identifies Medicaid, SCHIP as Pivotal in Closing the Insurance Gap for Nation's Children**

*Together, Medicaid and SCHIP have reduced the uninsured rate of low-income children by one-third, yet new report cautions that debated program changes, cost-cutting measures imperil these successes*

**Washington, D.C.** – On the eve of the 40<sup>th</sup> anniversary of Medicaid, and in the midst of ongoing debate about its future, the Center for Children and Families (CCF) today released an issue brief assessing the track record of Medicaid and the State Children's Health Insurance Program (SCHIP) in insuring the nation's children.

Entitled *A Success Story: Closing the Insurance Gap for America's Children Through Medicaid and SCHIP*, the brief's key findings are:

- ∞ **Medicaid and SCHIP have been remarkably successful in closing the insurance gap for children, particularly low-income children.** Since 1997, these two programs have reduced the uninsured rate of low-income children by one third – from 23% to 15%.
- ∞ **Medicaid is the “backbone” of publicly-financed coverage for children, covering more than 27 million children.** Separate SCHIP programs cover an additional 4 million children.
- ∞ **Both Medicaid and SCHIP-enrolled children are able to secure the care they need.** 96% percent of those children covered by Medicaid have a usual source of care. Additionally, they are far less likely than their uninsured peers to have unmet medical/dental needs.
- ∞ **Medicaid and SCHIP offer cost-effective coverage.** Children covered through Medicaid are offered comprehensive, affordable insurance at a cost that is 31% less than private insurance.

“Despite headlines to the contrary, there is a positive news story about health coverage in America – and it is the remarkable success of Medicaid and SCHIP in covering our nation's low and moderate-income children and families,” said CCF Executive Director and co-author of *A Success Story* Cindy Mann.

Medicaid was enacted in 1965; SCHIP was created in 1997. Together, these programs have been pivotal in closing the insurance gap for America's children - reducing the uninsured rate of low-income children by one-third.

Yet, in spite of these successes, Medicaid – which is the backbone of the nation's coverage programs for children-- is imperiled. Congress has proposed \$10 billion in federal budget cuts – savings that many believe will come at Medicaid's expense. The White House has announced the membership of a Commission designed to recommend ways to cut Medicaid. And, last weekend, the National Governor's Association approved recommendations that, if adopted by Congress, will seriously impact the quality and availability of health coverage for low and moderate-income children and families.

“The goal of ensuring that all children have access to health insurance has enjoyed enduring bipartisan support,” stated Jocelyn Guyer co-author of the brief and CCF Senior Program Director. “Medicaid and SCHIP have helped us in fulfilling this commitment – as a result of these programs the number of uninsured children has declined; children enrolled in public programs receive needed health care services; and publicly-funded coverage programs are providing services in a cost-effective way.”

“The real challenge will be ensuring that this success story -- which has made such a difference in the lives of children and families-- continues,” stated Cindy Mann. “Rising health care costs and spiraling deficits are driving the current debate. There are ways to address these issues without unraveling the key elements of Medicaid and SCHIP that have allowed them to work so well for children. The choices that are made in months ahead will determine whether the nation continues to move in the right direction for children.”

**ABOUT THE CENTER FOR CHILDREN AND FAMILIES:** CCF is an independent, nonpartisan policy center based at the Georgetown University Health Policy Institute and supported by private foundation grants. Launched on May 5, 2005, CCF’s efforts to develop effective, practical strategies to improve access to health care for the nation’s low and moderate-income children and families are guided by researchers and policy analysts with a wealth of experience in designing, implementing, and analyzing health insurance programs, policies and innovations at both the federal and state levels.

For additional information about the Center for Children and Families, or to obtain a copy of the issue brief, please visit the CCF website at: [www.ccfgeorgetown.org](http://www.ccfgeorgetown.org). **TO INTERVIEW CCF SENIOR STAFF PLEASE CONTACT Gina Russo at 202-421-3578 or [grusso@ccfgeorgetown.org](mailto:grusso@ccfgeorgetown.org).**

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