

Issue Brief UPDATE

August 2005

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New Data Show Decline in the Percent of Children Without Health Insurance: Lowest Uninsured Rate Since 1996 Driven by Medicaid and SCHIP

New data released in August by the Agency for Healthcare Research and Quality confirmed the good news from other recent health insurance surveys: uninsured rates among children have declined sharply over the last several years. According to the Medical Expenditure Panel Survey (MEPS), the number and rate of uninsured children was lower during the first half of 2004 than at any other time since 1996, the first year of MEPS data.

Public coverage programs—Medicaid and the State Children's Health Insurance Program (SCHIP)—have been largely responsible for these coverage improvements, as illustrated in Figure 1. Between 1996 and 2004, the percent of children covered by private plans declined from 63 to 58.9 while public insurance coverage rates grew from 21.3 to 29.4 percent. The drop in private coverage and the rise in public coverage have been most pronounced since 2001, when the economy began to experience a downturn. Publicly-funded insurance prevented millions of children from becoming uninsured.

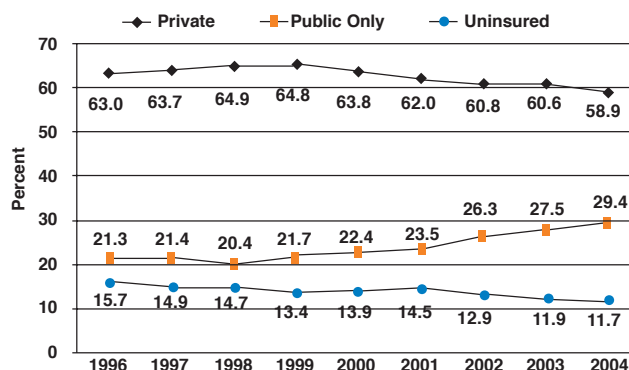
The importance of public coverage to children's well being was underscored by other MEPS data for 2004 showing that nearly half of all children in fair or poor health were covered by public programs. Medicaid's benefit package for children (known as the Early and Periodic Screening, Diagnostic and Treatment or "EPSDT" benefit) is particularly designed to address the needs of children with a wide range of health care needs. Proposals under consideration at the federal level and in some states, however, would weaken this aspect of the program for children.

The news from the MEPS data was not all positive. The uninsurance rates for Latino and African American children are growing, leaving a troubling gap in insurance rates among children by race and ethnicity. (Figure 2).

New health insurance data (the Current Population Survey) will be released on, August 30, 2005, by the U.S. Census Bureau.

Sources: Rhoades, J.A. *Health Insurance Status of Children in America, 1996 – 2004*; Estimates for the U.S. Civilian Non institutionalized Population under Age 18. Statistical Brief#85. June 2005. Agency for Healthcare Research and Quality. (<http://www.meps.ahrq.gov/papers/st85/stat85.pdf>.) and MEPS public use files.

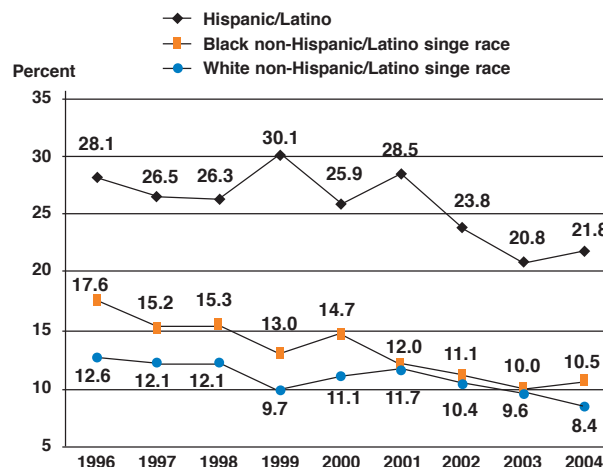
Figure 1
Percentage of Children by Health Insurance Status, 1996-2004



Note: Children defined as under 18 years.

Source: Center for Financing, Access, and Cost Trends, AHRQ, Household Component of the Medical Expenditure Panel Survey, 1996-2004 Point-in-Time Files.

Figure 2
Percentage of Uninsured Children by Race/Ethnicity, 1996-2004



Note: Children defined as under 18 years.

Source: Center for Financing, Access, and Cost Trends, AHRQ, Household Component of the Medical Expenditure Panel Survey, 1996-2004 Point-in-Time Files.