

# Getting to the Finish Line for Children's Coverage



In 2007, Ohio's leaders from both sides of the aisle set aside their partisan differences to expand health coverage to more Ohio children using our state's successful, cost-effective Medicaid/SCHIP program. Now, in these tough economic times when hardworking families are struggling to pay bills and losing jobs and homes, the foresight of our leaders can play a key part in providing families with economic security when they need it the most. Governor Strickland and the Ohio General Assembly can act now to keep their promise of health care for uninsured children by maintaining their commitment to expanding Medicaid/SCHIP and cutting red tape that prevents eligible children from gaining and keeping coverage.

## OHIO'S LEADERS CAN TAKE THREE STEPS TO PROVIDE STRUGGLING FAMILIES WITH HEALTH COVERAGE FOR THEIR CHILDREN:



- **Ohio must fully implement the Medicaid/SCHIP expansion for children living in families up to 300%** of the federal poverty level. This expansion was adopted with strong bipartisan support in Ohio's FY 2008-2009 budget, but federal roadblocks have delayed its implementation. Meanwhile, 35,000 uninsured children who could be eligible still wait for health care. Now that federal approval is within reach, Ohio's leaders must remain committed to implementing this expansion quickly in FY 2009 and funding it adequately in the FY2010-2011 budget.



In addition, once we have kept the promise to expand children's coverage, we expect that more lower-income children will also enroll because their parents will become aware of the program for the first time. This trend, called the "welcome mat effect" by states that have already experienced it, will require that Ohio budget adequately for growth in Medicaid enrollment among children who are already eligible but unenrolled.

- **Ohio must find, enroll, and retain more uninsured children** who are eligible for, but not yet enrolled in Ohio's Medicaid/SCHIP program, called Healthy Start Healthy Families. These already-eligible children, who live in families with incomes under 200% of the federal poverty level, account for nearly 70% of Ohio's uninsured children. That's 106,000 children—more than enough to fill Ohio Stadium.



Parents cannot enroll their children in a program they don't know about. However, by building partnerships with trusted community organizations like Ohio Benefit Bank sites, food banks, health clinics, and Head Start programs, we can help reach the parents of uninsured children who need to know. What's more, every dollar Ohio invests in community outreach brings at least \$1 in matching federal funds into our state's economy.

- **Ohio needs to cut the red tape in its children's health coverage enrollment and renewal processes.** We can take advantage of federal options and modern technology already successfully being used by other states. By implementing these policies, including presumptive eligibility for children, administrative verification of income, and coordinating and sharing data among public agencies, Ohio can increase the efficiency of its system, make the work of eligibility workers more effective and cut the red tape for families.



VOICES FOR OHIO'S CHILDREN



As Ohio's leaders are working to address serious state budget challenges, Ohio families are struggling at the kitchen table, balancing which bill to pay next. A Kaiser Family Foundation report<sup>1</sup> released in October 2008 revealed that health care costs remain the single greatest anxiety for working families, especially since overwhelming numbers of family bankruptcies are caused by medical bills. One hospitalization for a child's asthma attack or emergency appendectomy can plunge a family into debt from which it cannot recover. Moreover, Ohio's economic stability depends on the economic stability of families who want to work hard and pay their taxes.

As Ohio families lose their jobs, savings and housing, Medicaid/SCHIP is critical to helping them maintain economic stability and pay for their children's basic necessities. When children are enrolled in Medicaid/SCHIP, they are more likely to have well-child visits, childhood vaccinations and more consistent medical treatment. They also have fewer hospitalizations and emergency room visits than uninsured children. And, because Medicaid and SCHIP are shared federal/state programs, the federal government pays the majority of the costs and brings much-needed funds to Ohio's economy.

This time of extreme economic insecurity is exactly when leaders must keep their promise to Ohio's children. We must extend coverage to more uninsured children and work to cut red tape that wastes valuable taxpayer dollars and keeps children without coverage. Ohio's leaders knew in 2007 that covering children was the right thing to do, and now their hard work during easier times can protect working families who need help more than ever before.

### A WORD ABOUT RETENTION:

To make meaningful progress in covering more kids, Ohio needs to do better at keeping eligible children enrolled in Medicaid. Historically, policymakers and advocates alike thought that the problem lay in finding uninsured children, but new research shows that faulty retention of eligible children in the program is a primary reason so many children are uninsured. Nationally, 42% of uninsured children have been enrolled in Medicaid the prior year.<sup>2</sup> Assuming these proportions hold true for Ohio, of the 106,000 uninsured children in Ohio who live in families with incomes under 200% FPL, 44,520 are already known to the Medicaid system. Twenty-three percent of Ohio children covered by Medicaid/SCHIP have at least one enrollment gap in the last three years.<sup>3</sup>

These gaps in coverage not only put children's health at risk, but also cost taxpayers unnecessarily. The cost to enroll a child in Medicaid is \$71, including outreach, paperwork and processing costs to the health plan, but not including administrative costs to county departments of Job and Family Services. When a child loses coverage and experiences a gap in coverage of at least three months, total medical costs are nearly doubled.<sup>4</sup>

Insuring children provides them with cost-efficient, quality care, and keeping them insured reduces paperwork and its associated bureaucratic costs. Ohio should simplify the Medicaid renewal process through the following strategies:

- **Reduce the paperwork burden:** Use existing databases to verify information. Just as with initial Medicaid applications, Ohio should allow and encourage eligibility workers to use a range of existing databases to verify renewal information. This will reduce the issue of "churning"—when eligible children and families lose Medicaid coverage due to procedural barriers.
- **Enlist Medicaid managed care plans as partners in renewal efforts.** Ohio should give managed care plans timely, accurate data so they can provide their members with Medicaid renewal assistance.
- **Implement rolling renewals.** Give families the option to renew their Medicaid coverage when they renew benefits for other public programs, such as food stamps, even before their next regularly scheduled Medicaid renewal.
- **Yearly renewal of parents' coverage.** Medicaid coverage for children is renewed every 12 months, but parents' coverage renews every six months. Ohio should follow the example of 40 other states and adopt yearly renewal for parents.

### Working together, we can help Ohio reach the finish line of children's health coverage.

*Voices for Ohio's Children is the non-partisan voice of Ohio's nearly 3 million children. With more than 100 collaborative partners, we impact the changes in public policy that improve the health, safety, education, family stability and childcare of Ohio's children and their families.*

<sup>1</sup> Henry J. Kaiser Family Foundation. "Kaiser Health Tracking Poll: Election 2008" Issue 11 October 2008. <http://www.kff.org/kaiserpolls/upload/7832.pdf>

<sup>2</sup> Gerry Fairbrother; Joseph Schuchter; Lisa Simpson, "What Do We Know About the Effect of Insurance Expansions for Children?", Volume 1, Issue 1, February 2008.

<sup>3</sup> Ibid

<sup>4</sup> Ibid



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