

Children's Health Insurance—What's at Stake in 2017?

Good health is the foundation for the future success of our children and our state, and health insurance coverage is a fundamental first step in ensuring good health. Over the past 20 years, the core components of children's health insurance coverage—the **Affordable Care Act (ACA)**, **Medicaid**, and **SCHIP**—have reduced the *percentage of uninsured children from 16 percent to 4 percent*.

However, proposed changes to the ACA, Medicaid, and SCHIP could reverse this success and result in millions of children losing the health coverage they need to succeed in school and life.

Without health insurance, conditions like asthma, diabetes, and even tooth decay can go untreated, affecting children's ability to learn, keeping them home from school, and causing them to fall behind academically. Sick children can also keep parents home from work, undermining their financial security and productivity.

Any changes to our nation's core children's health programs and policies must maintain the historic gains we have made in insurance coverage, access to services, and guaranteed benefits.

The Affordable Care Act

The ACA has strengthened child access to private insurance plans, as well as to Medicaid and the Children's Health Insurance Program. Together, these three interconnected programs are responsible for North Carolina's record high rate of insured children. The ACA improves the health of children and families by:

- Guaranteeing access to 27 preventive services, including vision and dental care;
- Ensuring children with pre-existing conditions have insurance coverage;
- Allowing families to keep their children on their health insurance until age 26;
- Ensuring that children in foster care don't lose health insurance when they turn 18;
- Providing millions of adults (including parents) with health coverage. Research shows that when parents are insured their children are much more likely to be insured, as well.

If Congress repeals or makes substantial changes to the ACA, it must immediately replace the law with policies that protect recent gains in coverage, access to services, and benefits.

Medicaid

Medicaid is the backbone health insurance program for North Carolina's children, providing guaranteed insurance coverage to children in foster care, children with disabilities, and children

from low-income families. Proposals to cap Medicaidⁱ would result in massive funding cuts over time and weakened standards for the quality of care. This would lead to a significant reduction in the number of children with health insurance and in the availability of services children need to stay healthy.

- **A cut to Medicaid is a cut to children’s health.** Medicaid is a children’s program—over ½ of all Medicaid recipients in North Carolina and nationally are children.
- **Medicaid helps to ensure babies are born safely and healthy.** Medicaid covers over 40 percent of the births in our state and is a key component in our state’s efforts to reduce infant mortality.
- **Children on Medicaid are guaranteed all medically necessary services.** Changing Medicaid into a block grant program or per capita capped program would eliminate this critical protection.
- **Medicaid is best insurance program for children with disabilities and other special needs,** because federal law requires every state Medicaid program to provide all “medically necessary” services.

SCHIP

SCHIP stands on the shoulders of Medicaid, providing insurance for 78,000 North Carolina children from low-income families who don’t qualify for Medicaid but can’t afford private insurance. Federal funding for the State Children’s Health Insurance Program expires after 2017. Congress and President Trump must take action next year to preserve the program.

The Bottom Line

State and national elected officials of both political parties deserve praise for their successful efforts to improve children’s health. As Congress moves forward with proposed changes to our country’s core children’s health programs and policies—the ACA, Medicaid, and SCHIP—they must build on the historic gains we have made in children’s insurance coverage, guaranteed benefits, and improved quality of care.

For more information about efforts to protect children’s health insurance, visit www.ncchild.org or contact Sarah Vidrine at sarah@ncchild.org.

ⁱ For more details on proposals to cap Medicaid, follow this link: <http://kff.org/medicaid/issue-brief/5-key-questions-medicaid-block-grants-per-capita-caps/>