POLICYLAB POLICY BRIEF | SPRING 2020
INFORMING CHILDREN'S HEALTH POLICY THROUGH RESEARCH

PATHWAYS TO ACHIEVE UNIVERSAL HEALTH COVERAGE FOR CHILDREN

The United States has been on the brink of reaching universal health coverage for children, a potential stepping stone to achieving it for the population as a whole.[1]

Yet, recent trends in the insurance and policy landscapes have led to rising numbers of uninsured children since 2017, as well as a broader problem of underinsurance for children and their families.

As of 2018, 1 in 18 children were uninsured.[2] This creates urgency for policymakers to ensure that children's coverage does not continue to erode, and that families have access to the services their children need to become healthy, productive adults. It is time to consider new strategies to improve access to affordable, quality coverage for all children—particularly those from low- and moderate-income working families who make up the majority of the uninsured.[3]

This policy brief summarizes options for policymakers to consider to achieve universal, affordable, comprehensive coverage for children. These span from universal coverage proposals to modifications of existing programs and enrollment/retention processes. In this time of escalating barriers to coverage, we may require ambitious action to stabilize the market for dependent coverage, much less achieve gains in the years ahead.

> **For a full review of the children's health insurance market, factors contributing to rising uninsurance and underinsurance and a deeper dive on the policy options presented here, read our accompanying *Evidence to Action* brief, available at:** *bitly.com/CoverageBrief*

POLICY OPTIONS TO IMPROVE AND EXPAND CHILDREN'S COVERAGE

Leverage Medicaid and the Children's Health Insurance Program (CHIP)

- **Create state option for universal coverage plan with Medicaid benefits.** Given the evidence on the benefits of Medicaid and CHIP coverage for children[4] and the share of children (nearly 40%) already insured by these programs,[5] federal policymakers could create an option for states to enact universal plans for children. The most expedient way to do this would be to capitalize on the broad entitlement for Early and Periodic Screening, Diagnostic and Treatment (EPSDT) benefits within Medicaid.[6]

POLICY OPTIONS CONTINUED ON BACK →

CONTINUUM OF OPTIONS TO IMPROVE AND EXPAND CHILDREN'S COVERAGE

SYSTEMIC CHANGE

LEVERAGE MEDICAID AND CHIP TO ACHIEVE UNIVERSAL AND COMPREHENSIVE COVERAGE FOR ALL CHILDREN

IMPROVE MEDICAID / CHIP ENROLLMENT AND RETENTION

INCREMENTAL CHANGE

→ **Enhance opportunities for employers to buy in to Medicaid/CHIP coverage.** Employer and employee contributions to a child's insurance coverage would go to enrolling them in the state's CHIP plan instead of a plan managed by the employer. There are reasons, conceptually and practically, for employers to consider this; for example, adult coverage in employer-sponsored insurance often lacks child-specific benefit packages like those available through Medicaid and CHIP.[7]

→ **Enhance opportunities for families to buy in to Medicaid/CHIP coverage.** States could allow families to purchase Medicaid or CHIP coverage for their children when their income exceeds eligibility limits. While families that buy-in are typically responsible for the full cost of monthly premiums, buy-in coverage allows children to access more comprehensive, robust pediatric benefits available under Medicaid's EPSDT benefit and in most separate CHIP programs.[7]

Improve Medicaid/CHIP enrollment and retention

→ **Raise state-level eligibility for Medicaid/CHIP.** States with lower Medicaid/CHIP income eligibility levels account for a disproportionate number of uninsured children, and these numbers are growing.[8] Those states with Medicaid/CHIP upper eligibility levels below the national median (255% of the federal poverty level) should consider raising them to the national median, at least.

→ **Streamline enrollment and simplify coverage renewal.** Given that 57% of uninsured children in 2017 were eligible for but not enrolled in Medicaid or CHIP,[9] policymakers should consider increasing the ease with which families can sign up, and maintain and renew coverage, including through continuous, presumptive, or express lane eligibility and integrated enrollment systems. Federal and state policymakers should incentivize states to take up the enhanced federal matching rate to upgrade state eligibility systems.[10] Policymakers should also consider strategies that account for the family unit, such as allowing parents and siblings to enroll in Medicaid or CHIP based on one child's eligibility.[11]

→ **Boost outreach and enrollment assistance.** Policymakers should help state Medicaid and CHIP programs overcome the "unwelcome mat"[1] created, in part, by significant cuts to outreach and enrollment assistance, and exacerbated by uncertainty around policies such as the public charge rule.[12] The 2018 CHIP reauthorization also provides $120 million to states to conduct targeted outreach and enrollment activities.[13,14]

Improve affordability and strengthen quality of employer-sponsored and marketplace coverage

→ **Strengthen the essential health benefits standard and other marketplace protections.** By doing this, policymakers can improve children's coverage on the individual and small group insurance marketplaces. Specifically, federal policymakers can modify the standard to explicitly address the types of pediatric benefits that states should include, beyond vision and dental. Alternatively, states could consider using their CHIP plan as a benchmark for pediatric services on the marketplace.[15]

→ **Provide premium assistance for moderate-income families who cannot afford employer coverage.** Policymakers could focus this effort on working families who are eligible for Medicaid or CHIP.[16] Thirty-six states already do so. States implementing these programs must ensure that enrollees' cost-sharing and benefits are the same as those in their state Medicaid plan; otherwise, the state must provide "wrap-around" coverage (when Medicaid provides secondary coverage).[17]

VISIT BITLY.COM/KIDS-COVERAGE-PATHWAYS
for a full list of references.

This brief was written before the COVID-19 pandemic and, therefore, does not reflect analysis of the inevitable impact the pandemic will have on these issues.

The mission of PolicyLab at Children's Hospital of Philadelphia (CHOP) is to achieve optimal child health and well-being by informing program and policy changes through interdisciplinary research. PolicyLab is a Center of Emphasis within the Children's Hospital of Philadelphia Research Institute, one of the largest pediatric research institutes in the country.

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