

WHAT ABOUT THE CHILDREN?

THE ACA DEBATE AND KIDS' HEALTH COVERAGE

As Congress continues the debate about the Affordable Care Act (ACA) and a replacement plan, a lot hangs in the balance for children. According to the Urban Institute¹, repealing the ACA will double the number of uninsured kids. In Arkansas, this means that at least 34,000 kids would lose their coverage. Even more troubling, as many as 127,000 Arkansas children could lose coverage if we get rid of the federal law that keeps ARKids First eligibility requirements at current levels.² To protect health coverage for kids, there are several key issues that must be considered as part of state and federal health reform plans.

CONSIDER THIS:



MORE CHILDREN IN ARKANSAS HAVE COVERAGE TODAY THAN EVER BEFORE, and we must protect these gains. We have reached historic coverage levels for children thanks to Medicaid, CHIP, and the ACA. Today, 95 percent of kids in Arkansas are covered. Any changes to the health care system should maintain and improve upon these gains; now is not the time to make a U-turn.



CHILDREN NEED ACCESS TO COMPREHENSIVE BENEFITS AND SERVICES. The benefits package in Medicaid is tailored to meet the needs of kids and ensure access to preventive services, specifically Early Periodic Screening, Diagnostic and Treatment (EPSDT). These services cost less and help doctors recognize and address any problems early.



HAVING ACCESS TO AFFORDABLE HEALTH CARE ENSURES THE FAMILY BUDGET IS STABLE. Coverage options must be available that do not create a greater economic hardship for families, especially those already living on the brink of poverty. This is the reason coverage options through the ACA, Medicaid, and CHIP are critical to help families who lack other affordable, comprehensive coverage options. Many working families are just one health crisis away from bankruptcy.



CHANGES TO THE MEDICAID FUNDING STRUCTURE PUT CHILDREN, DISABLED, AND ELDERLY ARKANSANS AT RISK FOR LOSING THEIR COVERAGE. While flexibility in Medicaid is important because it allows states to try new approaches, funding models like block grants and per capita caps only cut Medicaid dollars. These models do not reduce health care costs and only shift more costs to the state. Lawmakers would be forced to make tough decisions about limiting coverage to disadvantaged Arkansans.



WHEN PARENTS HAVE ACCESS TO HEALTH COVERAGE, THEIR CHILDREN ARE MORE LIKELY TO ENROLL IN COVERAGE, STAY ENROLLED, AND RECEIVE THE PREVENTIVE CARE THEY NEED TO THRIVE.

When Arkansas expanded coverage for low-income adults and created new coverage options on the Marketplace, more children enrolled in coverage. After one year, over 30,000 more children gained coverage in Arkansas. Research shows these children are far more likely to perform better in school and are more economically stable as adults, which creates a stronger state economy. Also, we were able to reduce the number of uninsured adults to 14 percent in 2015³ (more recent polls from Gallup show us at 10 percent⁴). These coverage gains made Arkansas a national leader.



FAMILIES PLAY AN IMPORTANT ROLE AND MUST HAVE A SAY IN POLICY CHANGES THAT IMPACT THEIR ACCESS TO COVERAGE AND CARE. The consumer voice has been critical in shaping the health care system because of the ACA's transparency regulations for states. Additionally, insurers must provide uniform information to consumers about their coverage. This type of transparency is necessary to ensure that families aren't left in the dark about health system changes that have an impact on them.



HOW ARE CHILDREN IN ARKANSAS COVERED?⁵

To illustrate the potential impact of repealing the ACA, the charts below show how kids and their families are covered based on type of health insurance. The most immediate impact of an ACA repeal will be the great risk of losing coverage for Arkansans enrolled in Medicaid, CHIP, and direct-purchase plans from the health insurance Marketplace, because these plans allow families to receive help paying the costs of their coverage. The impact will also vary based on where people live. The greatest number of kids and adults who stand to lose coverage are enrolled in Medicaid in Congressional District 1.

SOURCES OF CHILD COVERAGE IN ARKANSAS:

Arkansas congressional district:	Percent of children with Medicaid/CHIP:	Percent of children with Employer-Sponsored Insurance:	Percent of children with direct purchase ⁶ :	Percent of children with other coverage ⁷ :	Percent of uninsured children:	Total:
Statewide	48%	35%	5%	7%	5%	100%
District 1	52%	31%	4%	8%	5%	100%
District 2	44%	36%	5%	9%	5%	100%
District 3	42%	44%	4%	5%	5%	100%
District 4	54%	29%	5%	7%	5%	100%

SOURCES OF ADULT COVERAGE IN ARKANSAS:

Arkansas congressional district:	Percent of adults with Medicaid:	Percent of adults with Employer-Sponsored Insurance:	Percent of adults with direct purchase:	Percent of adults with other coverage:	Percent of uninsured adults:	Total:
Statewide	12%	50%	10%	14%	14%	100%
District 1	18%	45%	10%	15%	13%	100%
District 2	10%	53%	10%	14%	13%	100%
District 3	8%	58%	8%	12%	14%	100%
District 4	14%	45%	10%	16%	15%	100%

NOTES:

¹ Buettgens, M., Kenney, G., and Pan, C. (2016) Partial repeal of the ACA through reconciliation: Coverage implications for Arkansas Residents. The Urban Institute. Retrieved from: <http://www.urban.org/research/publication/partial-repeal-aca-through-reconciliation-coverage-implications-arkansas-residents>.

² The Maintenance of Effort (MOE) provision in the ACA requires states to keep Medicaid and CHIP eligibility at the same level through 2019. If the MOE provision is repealed, states could drop children's eligibility levels for Medicaid and CHIP to 138 percent of the federal poverty level (FPL) for children younger than 6 and to 100 percent of FPL for children ages 6 to 18.

³ U.S. Census Bureau, 2015 American Community Survey.

⁴ Gallup (2017) Kentucky, Arkansas Post Largest Drops in Uninsured Rates. Retrieved from: www.gallup.com/poll/203501/kentucky-arkansas-post-largest-drops-uninsured-rates.aspx.

⁵ Single-year estimates of summary data from the 2015 American Community Survey (ACS). The U.S. Census Bureau publishes ACS summary data on American FactFinder.

⁶ Direct-purchase includes coverage through the health insurance Marketplace.

⁷ Other coverage includes Medicare, TRICARE, VA and two or more types of coverage.