



U.S. Senate Must Reject Medicaid Cuts for Over 70,000 Medicaid-Eligible School-Aged Children

The health care bill recently passed by the U.S. House would cut Medicaid for tens of thousands of Florida children. The Senate is currently working on its own bill. It must reject this Medicaid cut.

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There are many harmful provisions in the recently passed American Health Care Act (AHCA) for the 4 million Floridians relying on Medicaid for essential health care. But one of the less publicized changes targets school-aged children/youth (age 6-18). The House bill rolls back the income threshold for families for Medicaid eligibility from 138 percent of the federal poverty level (FPL) to 100 percent (\$2,830 monthly for a family of four to \$2,050).

Prior to 2014, these children were eligible for the Florida Healthy Kids (FHK) program, funded through the federal Children's Health Insurance Program. They were referred to as the "stair-step children" – reflecting the uneven Medicaid income eligibility for younger and older children.¹ (Younger children could qualify for Medicaid at a higher income level.)

The Affordable Care Act changed that by aligning Medicaid income eligibility for all children/youth whose families earn below 138 percent of the FPL. Thus, in 2014 over 72,000 children between the ages of 6-18 enrolled in FHK were transferred to the Medicaid program.²

If the House bill becomes law these children will lose Medicaid coverage. Their options for alternative health insurance coverage are limited.

Unlike Medicaid, FHK charges monthly premiums to enroll and stay on the program, as well as copays for services. The lowest income families are charged a premium of \$15 per month. While that seems reasonable to many, research shows that for low income families, premiums are a significant deterrent to children's initial enrollment and retention of coverage.³ Notably, in 2012, FHK estimated that an average of about 6,500 children were disenrolled due to nonpayment of premiums.⁴ Only seven states (including Florida) charge premiums for families below 150 percent of the FPL,⁵ and Florida's premiums remain high compared to other states.⁶

Similarly, a large body of research shows that for financially stressed families, copays decrease the use of appropriate services, including medically necessary preventive care for children.⁷ The reality is that many struggling low-wage working families are forced to choose whether to pay health insurance costs or face a crisis (like eviction).

Florida has made great progress in increasing the number of insured children. From 2013 to 2015, its uninsured rate dropped from 11.1 percent to 6.9 percent, covering an additional 161,000 children. However, with the exception of Texas, Florida still has the highest uninsured rate in the South, with 284,000 children remaining uninsured.⁸

If the Senate passes this harmful rollback of the income-eligibility threshold, children losing Medicaid and living in financially strapped families are at grave risk of going uninsured.

¹ Alker, Joan, Whitener, Kelly, [What Does House ACA Repeal Proposal Mean for Children and Families](#), Georgetown Center for Children and Families, 2017. Accessed via: <http://ccf.georgetown.edu/2017/03/07/what-does-house-aca-repeal-proposal-mean-for-children-and-families/>

² Florida Healthy Kids Corporation, [Annual Report - 2015 Healthy Kids](#), p. 13, 2016. Accessed via: https://www.healthykids.org/documents/annual/2015_annual_report.pdf

³ The Medicaid and CHIP Payment Access Commission, [The Effect of Premiums and Cost-sharing on Access and Outcomes for Low Income Children](#), pp. 4-5, 2015. Accessed via: <https://www.macpac.gov/wp-content/uploads/2015/07/Effect-of-Cost-Sharing-on-Low-Income-Children.pdf>

⁴ Hoag, Sheila, Peebles, Victoria, [Congressionally Mandated Evaluations of the Children's Health Insurance Program: Florida Case Study](#), Mathematica Policy Research, Urban Institute p. 13, 2012. Accessed via: <https://www.mathematica-mpr.com/our-publications-and-findings/publications/florida-case-study-congressionally-mandated-evaluation-of-the-childrens-health-insurance-program>

⁵ Alker, Joan, [Children's Health Coverage in Florida: Fewer Uninsured But Challenges Lie Ahead](#), Georgetown Health Policy Institute & Florida Philanthropic Network, p. 4, 2014. Accessed via: <http://ccf.georgetown.edu/2014/12/02/childrens-health-coverage-florida-fewer-uninsured-challenges-lie-ahead/>

⁶ Supra.

⁷ The Medicaid and CHIP Payment Access Commission, [The Effect of Premiums and Cost-sharing on Access and Outcomes for Low Income Children](#), pp. 5-7, 2015. Accessed via: <https://www.macpac.gov/wp-content/uploads/2015/07/Effect-of-Cost-Sharing-on-Low-Income-Children.pdf>

⁸ Alker, Joan, Chester, Alisa, [Children's Health Coverage Rate Now at Historic High of 95 Percent](#), Georgetown University Health Policy Institute, Center for Children and Families, pp. 6-8, Appendices 1-4, 2016. Accessed via: ccf.georgetown.edu/wp-content/uploads/2016/11/Kids-ACS-update-11-02-1.pdf