BUILDING ON ACHIEVEMENTS
in Extending Children's Health Coverage

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The Patient Protection and Affordable Care Act of 2010, commonly known as the ACA, included a range of measures to improve the health of children and secure children's access to needed health services. This publication takes stock of progress in implementing those measures and considers what will be needed to keep the momentum going and address outstanding challenges.

MEASURES TO EXTEND COVERAGE TO CHILDREN

The ACA extended federal funding for the Children's Health Insurance Program (CHIP) through September 30, 2015, and furnished states with additional funding to maintain and enhance access to the program. The ACA also financed increases in outreach and enrollment grants to help extend coverage to more eligible children. Together with the Children's Health Insurance Program Reauthorization Act of 2009, the legislation provided a total of $140 million in outreach and enrollment funding to enroll eligible children in Medicaid and CHIP coverage and keep them enrolled for as long as they qualify.

CHILDREN'S HEALTH INSURANCE PROGRAM

The Children's Health Insurance Program (CHIP) provides health benefits to eligible children, through both Medicaid and separate CHIP programs. Created as part of the Balanced Budget Act of 1997, CHIP builds on Medicaid to provide insurance coverage to uninsured, low-income children in families above Medicaid income-eligibility thresholds. CHIP is administered by states, as guided by federal requirements. The program is funded jointly by states and the federal government.

UNPRECEDENTED SUCCESS

Recent years have seen great progress in reducing the share of children without health insurance coverage, thanks in part to successful outreach and enrollment efforts. Between 2010 and 2012, the share of children who were uninsured fell from 8 percent to 7.2 percent, an unprecedented low (Alker 2014). Although progress seemed to have stalled in 2013, when the share of uninsured children did not change significantly, 2014 saw a sizeable drop once again, with the share of uninsured children dropping to a new low of 6 percent (Alker 2015). Furthermore, meaningful progress in outreach and enrollment was evident; by 2013, 88.3 percent of children eligible for CHIP and Medicaid were participating in the program, up from 81.7 percent in 2008 (Kenney and Anderson 2015).

Grantmakers have played an important role in catalyzing the successes of health reform with respect to extending children's health coverage. Seizing the opportunity created by the ACA to address shortfalls in children's coverage, The Atlantic Philanthropies created the KidsWell Campaign in 2011. Through KidsWell, Atlantic made nearly $10 million in grants to state-based advocacy organizations in seven states—California, Florida, Maryland, Mississippi, New Mexico, New York, and Texas. In addition, close to $19 million was granted to 10 national organizations to support advocacy campaigns in the seven selected states, to disseminate information and resources to strengthen campaigns in other states, and to advocate for federal health policies that promote children's access to health insurance (Hoag et al. 2015). Moreover, foundations

operating at the local, state, and national levels are taking up other key roles. The David and Lucile Packard Foundation, the Kaiser Family Foundation, and the Robert Wood Johnson Foundation, for example, are all funding research to track and identify key trends in enrollment and to assess key programmatic and policy issues affecting coverage. Several foundations, including the Colorado Health Foundation and the Missouri Foundation for Health, have financed studies to demonstrate the economic case for Medicaid expansion, helping to create political momentum for increasing coverage for low-income families and children.

As the September 2015 sunset date approached, the political debate over extension of CHIP came to a head. Child health advocates viewed maintaining the CHIP program to be critical for avoiding a leap backward in terms of adequate coverage for kids (Burak 2015b), for several reasons. First, despite the available federal funding assistance, a very sizeable number of states[1] had chosen not to expand Medicaid coverage, leaving children in near-poor families at greater risk for being uninsured. Second, because of a technical provision in the law known as the "family glitch," more than half of the 5.3 million children enrolled in state CHIP programs would not be eligible for subsidized health insurance coverage through the ACA health insurance marketplaces, or exchanges (Health Affairs 2014). Furthermore, children's health benefits available through marketplace coverage are often considered less comprehensive in comparison with Medicaid and CHIP.

For these reasons, advocates and stakeholders welcomed the two-year extension of CHIP that was enacted in April 2015, although many in the field would have preferred to see a longer horizon to enable better fiscal planning at the state level (Sullivan 2015). The fact that the program was extended through September 2017 without structural changes, rollbacks, or cuts was also lauded. The extension left intact the ACA's coverage improvements, including the requirement that states maintain children's coverage arrangements through 2019. It extended funding for outreach and enrollment grants, quality measures, and demonstration grants. It also extended funding for home visiting programs, family-to-family information centers, and community health centers.

OUTSTANDING CHALLENGES

Advocates for children's health coverage have identified a number of remaining challenges to the goal of achieving universal health care for children. Each presents opportunities for grantmakers to fund initiatives that will make a critical difference in children's access to needed health services.

- ***Enrolling the eligible but still uninsured.*** Despite big gains in Medicaid and CHIP participation rates, more than 70 percent of uninsured children are eligible for these programs and not enrolled (Alker 2014). Further progress in outreach and enrollment is needed to successfully cover these children. Experts have recommended a locally focused approach, drawing on data analysis and targeted, community-based strategies. Further work to streamline systems for eligibility assessment and enrollment may also be effective in covering more uninsured children. In addition, greater take-up by states of the Medicaid expansion for adults made possible by the ACA could have a positive effect on children's coverage, given that studies show parents are more likely to enroll their children when they themselves have coverage. Three (Florida, Georgia, and Texas) of the six states with the largest number of uninsured children and three (Florida, Texas, and Utah) of the six states in which more than 9 percent of children were uninsured in 2014 have yet to extend Medicaid to low-income parents (Alker and Chester 2015).

  It is important to note that states are protected against the excess costs associated with successful outreach and enrollment. Financed by separate mandatory appropriations equal to 20 percent of the national allotment, a contingency fund was designed to provide relief if a state encounters a CHIP funding shortfall due to demonstrated success in enrolling and retaining eligible children in Medicaid and CHIP. The fund continues to be available for fiscal years 2016 and 2017 (Burak 2015a).

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[1] As of September 1, 2015, 19 states had decided to forego Medicaid expansion, and expansion was still being considered in one state (Kaiser Family Foundation 2015).

- ***Extending eligibility to all kids***. For the 30 percent of uninsured children who are presently ineligible for Medicaid and CHIP, other approaches will be necessary to extend coverage. A legislative fix to the "family glitch" could mean an increase in subsidized marketplace coverage for as many as half a million children (Health Affairs 2015). Without a fix, the 2017 expiration of CHIP will once again present lawmakers with a decision that could reverse the hard-won progress in extending coverage to a record share of America's children. Finally, immigration reform could help to address shortfalls in coverage among citizen children of non-citizen parents, as well as among non-citizen children of parents who are also not U.S. citizens, nearly a third of whom are uninsured (Stephens and Artiga 2013).
- ***Securing the future.*** As a limited-life foundation presently in its final years, The Atlantic Philanthropies is looking to pass the baton to new champions for children's coverage. The KidsWell campaign has a built-in effort to document learning from experience and to build an infrastructure to carry on the work of ensuring that all children are enrolled in health insurance coverage. Over the past 18 months, Grantmakers In Health (GIH) and Grantmakers for Children, Youth and Families (GCYF) have cohosted a series of meetings for funders in the seven states selected for focus through KidsWell. The meetings were designed to spread understanding of health care reform and its implications for children, examine the best ways to help children and families get coverage, and outline the action steps necessary to build a lasting advocacy infrastructure for children's health. These sessions focused on the current status of research, advocacy, and implementation efforts in the states, examined how to deepen work that was already underway, and explored how successful models could be replicated. Meeting materials, which provide a range of resources for grantmakers, are available on the GIH and GCYF websites.

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