

Children's Health in Missouri:

Building a Stronger Future for Missouri, Today

Issue at a Glance
February 2007



PARTNERSHIP FOR CHILDREN

IS IT GOOD
FOR THE
CHILDREN?



KANSAS CITY PROMISE
THE ALLIANCE FOR YOUTH

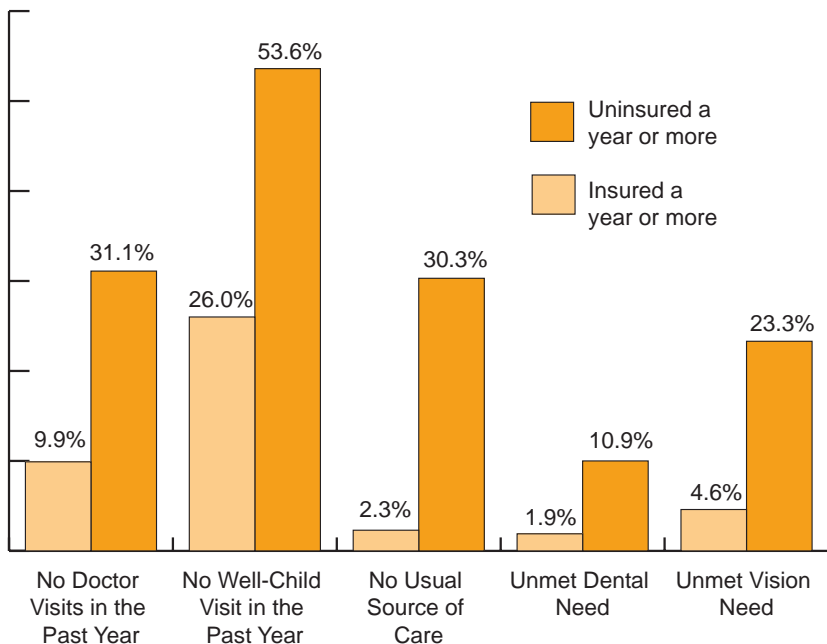


Why Coverage Matters

There is a striking difference between the quality of health care that children with insurance receive over uninsured children.

Children without health insurance are 13 times less likely to have a health care home – a medical provider one routinely visits for primary care. Children with a regular health care provider are more likely to be up to date with their immunizations, have better health, and have reduced health disparities.

As illustrated in the chart below, more than 50% of children who have been uninsured for a year or more have not had a well-child visit in the past year. For children who had been insured for a year or more, that number drops to 26%. Well-child care includes basic services such as immunizations, hearing and vision screenings, and monitoring health and development. These well-child visits are essential for early detection of health problems as well as prevention of health problems in the future.



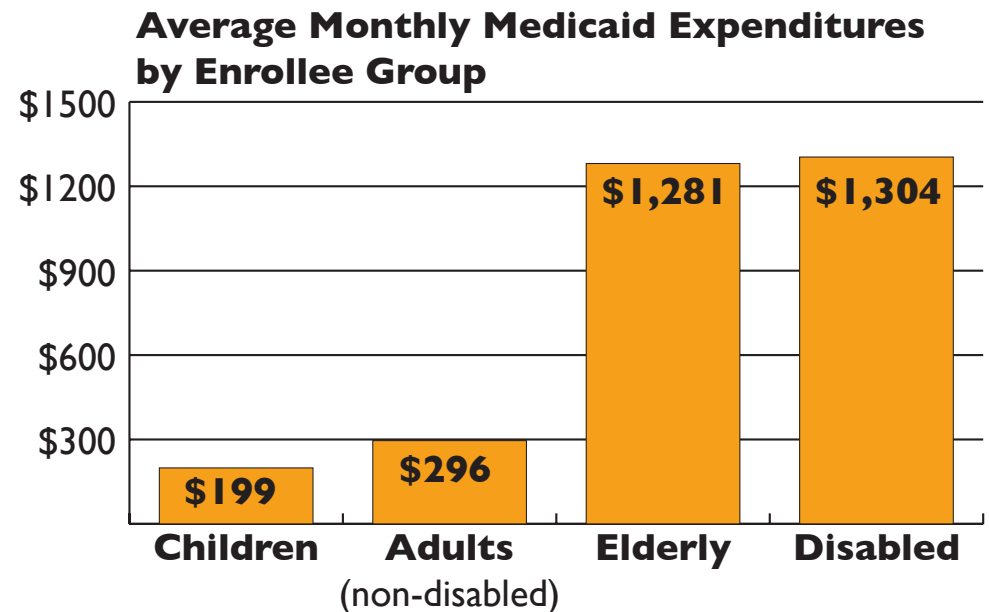
Coverage Costs Less

As the Governor's Missouri HealthNet plan illustrates, preventative health services are considerably less costly than emergency services. Under this proposal, participants will be encouraged to have a health care home with a regular care provider who will be able to identify health issues early.

Children are an ideal target population for preventative health services because the earlier in life health concerns are dealt with, the lower cost their health care will be in the long-term.

While children are the least expensive participant group in Missouri's state coverage, they are also the most vulnerable, and have little say in the type and frequency of care they receive.

A focus on preventative services, especially for children, is a positive step, however, it doesn't help the more than 100,000 children in Missouri who currently lack access to health coverage.



Who Are Uninsured Children?

In recent years, the increased cost of health care and health insurance has caused more attention to be paid to the growing number of people lacking health insurance. One out of five uninsured people in the United States is a child. Through no fault of their own, our youngest members of society are not receiving the health services that they need to develop into healthy adults.

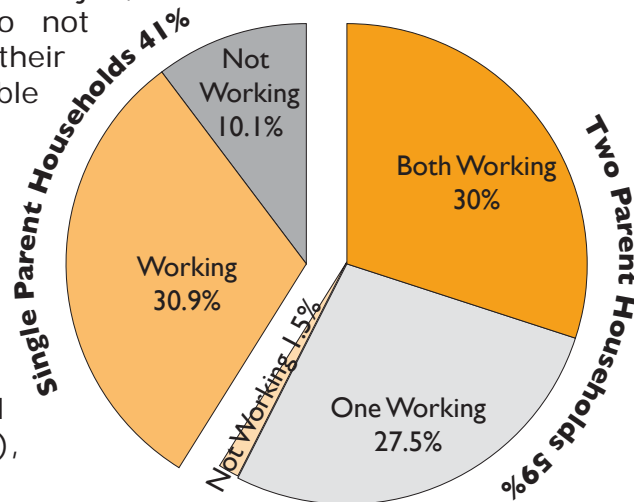
Number and Percent of Uninsured Children 2003-2005		
	Total Number of Uninsured Children	Percent of Children Who are Uninsured
Missouri	121,442	8.2%
United States	9,035,420	11.6%

Based upon the Census Bureau's 2005 Current Population Survey, FamiliesUSA estimates that there are more than 9 million (1 in 9) uninsured children in the United States,

including 121 (1 in 12) children in Missouri.

The vast majority of uninsured children, 88.3%, come from families where at least one parent works. It is no longer a given that having a job guarantees health insurance. Even when a parent receives health insurance through their job, these benefits do not often extend to their child at an affordable rate.

Uninsured Children's Families



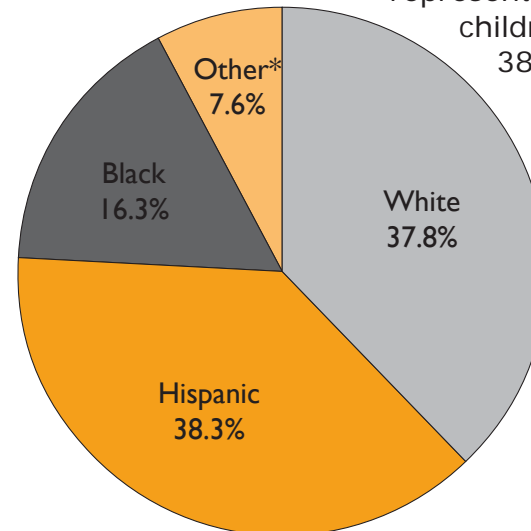
It is these children, with parents who are working, but are still low-income (less than twice the federal poverty level),

that are most likely to be uninsured. In both the states of Kansas and Missouri, low-income children account for more than 70% of the uninsured.

Minority children are disproportionately represented among the uninsured. More than 22% of Hispanic children and 13% of black children are uninsured, compared to 7.5% of white children.

Still, white children account for more than a third (37.8%) of the uninsured children in America.

Uninsured Children by Race & Ethnicity



The only racial group with a larger representation of uninsured children is Hispanics with 38.3%.

The newest census data on uninsured children is only available from 2005. We can safely assume, however, that very few, if any, of the more than 60,000 children who have left state health coverage in the past two years have been able to secure another form of health insurance.

*Other is defined as children whose parent or guardian does not identify the child as one of the other races/ethnicities or as a person of multiple races/ethnicities.

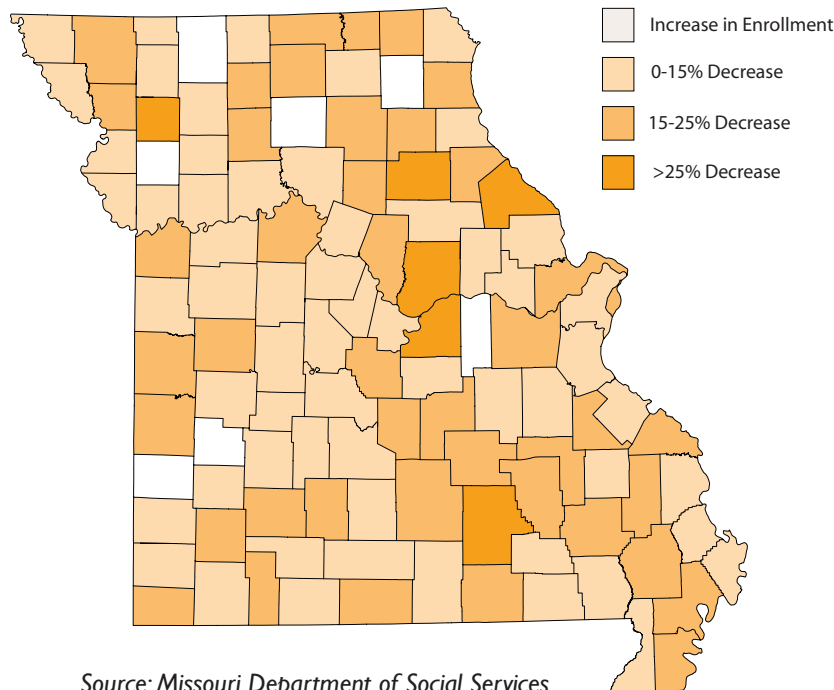
Missouri's Enrollment Decline

During the 2005 legislative session in Missouri, several changes were made to Medicaid & SCHIP. Due to these changes, some children were no longer eligible for state coverage. For others, the SCHIP program became cost prohibitive for their families.

Between January of 2004 and January of 2007, the number of children enrolled in state coverage has declined by more than 60,000. As the map below illustrates, the decline in enrollment is a statewide problem. In fact, all but six counties in Missouri have seen a decline in enrollment.

These children are unlikely to have secured private insurance in the past three years. Their families' economic status makes finding reasonably priced health insurance nearly impossible.

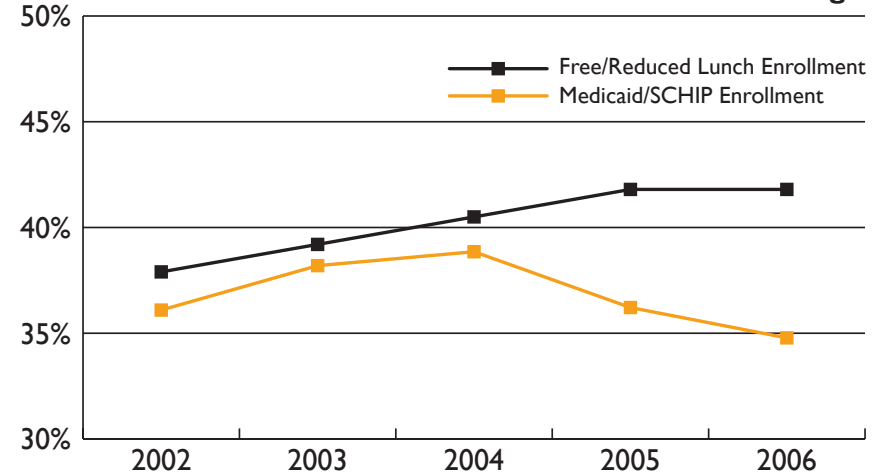
Decrease in Children Enrolled in State Coverage - Jan. 2004 to Jan. 2007



Source: Missouri Department of Social Services

In those years, the average annual increase in inflation has been 2.5%, while the cost of health insurance premiums has increased by an average of 15% annually. Much of this increase is due to the cost of uncompensated care to hospitals that serve a growing population of uninsured individuals seeking medical care.

Percent of Children Enrolled in Medicaid/SCHIP Versus Percent Enrolled in Free/Reduced School Lunch Program



From 2004 to 2006, the number of children in poverty, as tracked through the percent of school aged children enrolled in the free/reduced lunch program, has increased by nearly 13,000. While in the same period of time, child enrollment in state health coverage decreased by more than 63,000.

If changes are not made to the Missouri Medicaid problem to increase accessibility for children and youth, and these trends continue, the number of lower-income children without regular health care will continue to rise.

An Issue of Affordability

In 2005, extending premiums for Missouri's SCHIP program, MC+ for kids, had the additional effect of extending the affordability provision that had previously only applied to families between 225% and 300% of the federal poverty level to all families above 150% of federal poverty.

This expanded requirement forced lower-income families to prove that they could not find private insurance for less than \$342, or nearly 15% of a family income if their income is 151% of FPL.

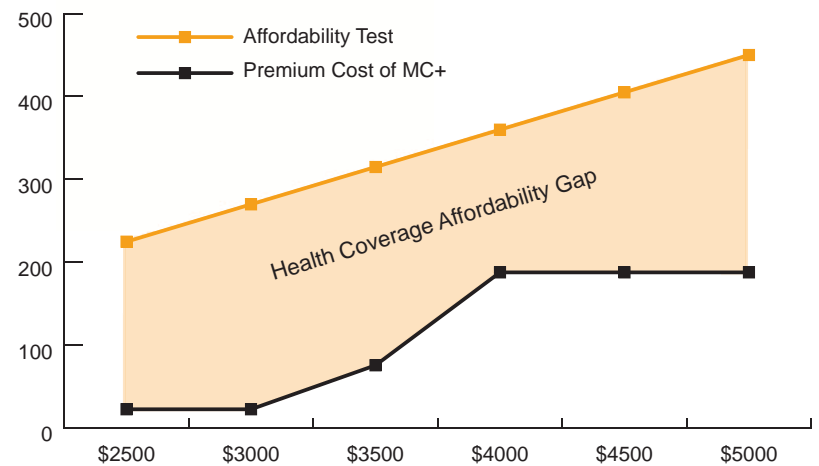
Through executive action, Governor Blunt lowered the affordability provision in June of 2006 to a flat 9% of family income. While this was a great improvement over the previous affordability provision, it continued to wall off a portion of lower-income children whose families still could not afford what was considered "affordable" by the state.

Because of this issue, the Department of Social Services in their MO HealthNet proposal recommended reducing the affordability provision to the same percentages as premiums for SCHIP--1%, 3%, and 5% of family income.

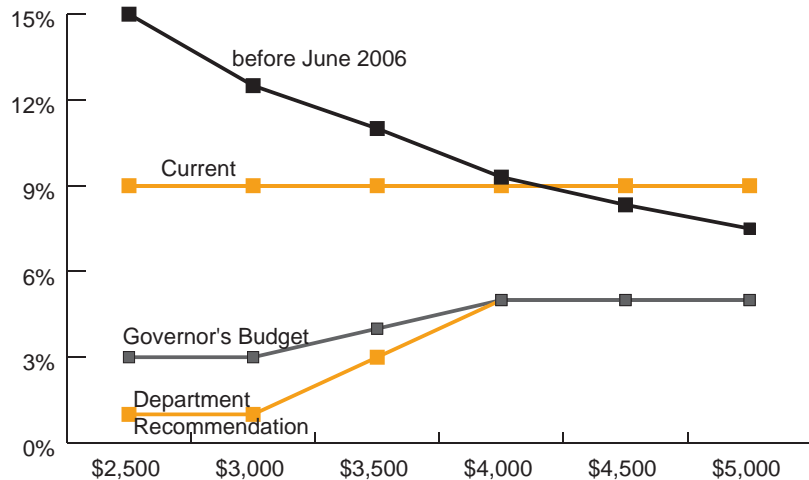
The governor's budget changed those percentages to 3%, 4%, and 5% of family income.

The current affordability provision increases the risk for the SCHIP pool. By only accepting those children whom private insurance companies will not accept, only lower-income children with elevated health risks are eligible for state coverage, while healthier children who could benefit from preventative health care go without.

Affordability Gap in Current System



Affordability Test for Family of Four as a Percentage of Monthly Income



Another issue with affordability of health care is the premiums for coverage that were extended to families with incomes between 150% and 225% of the federal poverty level.

With premium levels set at 1% and 3% of a family's income, families can face the real possibility that their premium for health care will triple with only a minimal increase in income. It's understandable how this would be a serious hardship for a family with limited resources. Current budget language suggests a sliding scale premium. In practice, however, the jumps in premiums still exist.

Aging Out of Foster Care

By law, foster care children are in the custody of the state. Unlike other children in Missouri, the nine-hundred youth who age out of foster care at 18 every year do not have the support of their families. As the guardian of these children, the state has a responsibility for their well-being.

While the State of Missouri does provide health coverage for these children while they remain in state custody, many of them have lingering health and mental health issues after their discharge from foster care. Leaving this high-risk group of young adults without health coverage puts them at a serious disadvantage over their peers.

Not surprisingly, young adults aging out of foster care have been shown to wrestle with abandonment issues; more than 1/3 of them have not completed high school or received a GED; and they are more likely to be victims of violent crime than their peers.

“As a society, we were, by force of law, the parents of these young people while they were in foster care. We need to see the job through. We would do no less for our own children.”

***- Gary Stangler,
former Director of DSS***

Recommendations

With the current emphasis on preventative services, children are the ideal participant group to ensure lower health care costs in the future, both for the State of Missouri and for personal insurance costs.

By ensuring that every child in the state has access to affordable, quality health care, the General Assembly can ensure a brighter future for today's children and tomorrow's tax-payers.

Partnership for Children recommends the following legislative actions to increase Missouri's investment in children's health:

- Decrease or eliminate the affordability provision to prevent building a wall around certain groups of children that keeps them from accessing health care.
- Decrease the premium cost to the lower-income families in Missouri's SCHIP program to ensure that no child is left without coverage through no fault of their own.
- Expand eligibility for Medicaid to children aging out of foster care until age 21, without consideration of income or educational status, to prevent gaps in health coverage.

PARTNERSHIP FOR CHILDREN



KANSAS CITY'S PROMISE
THE ANSWER FOR YOUTH



Partnership for Children's mission is to focus Greater Kansas City's energy on enhancing life for children and youth. As Kansas city's leading children's advocacy organization, Partnership for Children has been diligent in helping the Metro area make progress on the issues affecting the well-being of its children and youth. Since its founding in 1991, Partnership for Children has placed special emphasis on the areas of children's health, early care and education, out-of-school programs, and youth violence prevention.

For More Information Contact Partnership for Children

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