

Idaho Children are Losing Health Coverage

State Saw Steepest Increase in Child Uninsured Rate Last Year
October 2019

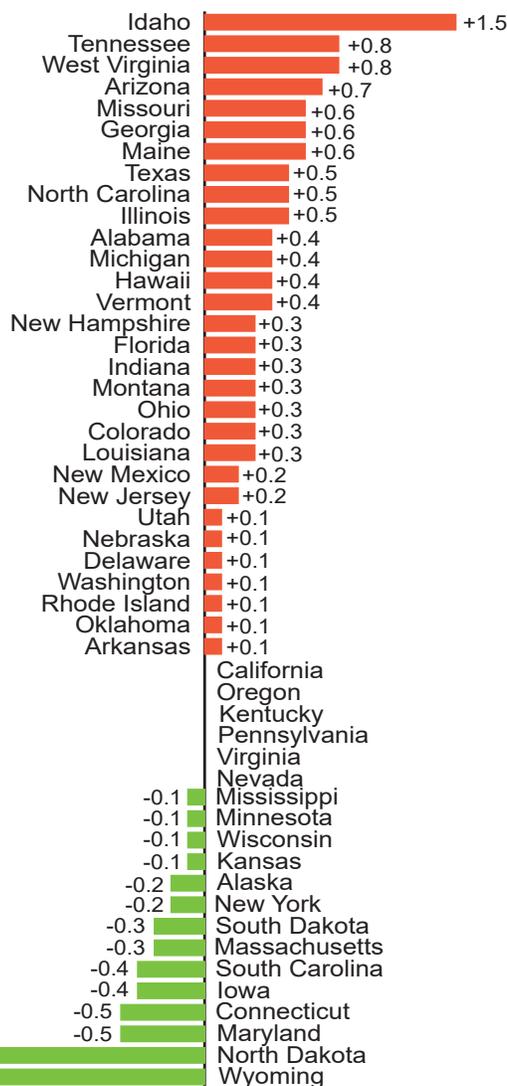


Healthy children are critical to thriving communities in Idaho. Having health insurance increases the likelihood that children will get necessary medical services and even be more likely to graduate from high school, creating ripple effects that benefit us all.¹ Following years of steady progress, newly released data shows Idaho’s child uninsured rate changed direction last year – resulting in thousands of additional kids going without essential health coverage in Idaho.

Coverage losses appear to be driven by new administrative barriers to renewal for Medicaid and the Children’s Health Insurance Program (CHIP). These coverage losses are particularly concerning because they occurred during a period of economic growth when children should have been gaining health coverage. It is time for lawmakers to turn their attention to policies that increase health coverage instead of adding more red tape to programs that help Idahoans make ends meet.

Idaho’s Child Uninsured Rate Increase Worst in the Nation

Figure 1: Percentage Point Change in Child Uninsured Rates, 2017 to 2018



Idaho is at the top of a concerning national trend in children’s health coverage. For the second year in a row, the national uninsured rate among children has gone in the wrong direction, rising to 5.2 percent in 2018, or more than one in 20 kids. States that did not expand Medicaid to parents and other adults saw their child uninsured rate increase three times as much from 2016 to 2018 as states that did, according to the Georgetown Center for Children and Families.²

Idaho’s child uninsured rate increased at a considerably faster pace than any other state from 2017 to 2018.³ Reversing years of coverage gains, the number of Idaho children without any health insurance increased by 7,200 in 2018. Before then, Idaho had not seen an increase since comparable data started being collected in 2008.

Idaho also saw the largest uninsured rate increase across all ages last year.⁴ The number of Idahoans without health coverage rose to 192,600 in 2018, an increase of 20,600 people compared to the year prior. Disturbingly though, uninsured rates among children increased more than any other age group in Idaho.⁵ For example, for every 10 uninsured young adults (19-34 yrs) in 2017, just under one additional young adult went uninsured in 2018, but for every 10 uninsured children (<19 yrs) in 2017, more than 3 additional children went uninsured in 2018.⁶

Source: American Community Survey 1-Year Estimates

Drops in Medicaid and CHIP Coverage Drive Child Uninsured Rate Increase

While some have argued that the strong economy led children to move to employer sponsored insurance, private coverage rates in Idaho remained consistent while public coverage decreased last year. Idaho experienced the steepest child enrollment decline in Medicaid and CHIP in the nation, dropping 11 percent from December 2017 to February 2019 according to Georgetown University's Center for Children and Families.⁷ This decline is driving an increase in Idaho's child uninsured rate.

Medicaid and CHIP provide health coverage to children who live with disabilities and in families facing low wages. The uninsured rate barely moved for children living in higher income households but nearly doubled among children with family incomes below 200% of the federal poverty level (FPL). This is deeply concerning given the additional barriers these families already face and the serious economic consequences of being exposed to medical debt or bankruptcy.

Figure 2: Uninsured Rates for Idaho Children Under 19

| Household Income as Percentage of Poverty Level | 2017 | 2018 | Change |
|--|------|------|------------|
| Under 200% FPL (<\$50,200 annual income for a family of four) | 3.6% | 7.1% | + 3.5% pts |
| Over 200% FPL (>\$50,200 annual income for a family of four) | 5.0% | 5.3% | + 0.3% pts |

Source: American Community Survey 1-Year Estimates

Hispanic/Latinx Idahoans Continue to Face More Barriers to Health Coverage

Hispanic/Latinx Idahoans face additional barriers to health coverage like lower wages, having an employer that doesn't offer health insurance, and recent policy changes that deter eligible families from seeking coverage through Medicaid.⁸ Idaho Hispanic/Latinx children have a higher uninsured rate than their white peers, at 8.0 and 5.9 percent respectively.

Children in both demographic groups saw an increase in their uninsured rate in 2018 compared with the year prior. However, the change is only statistically significant for white children – in part because changes are harder to detect among Idaho's relatively small communities of color.

Figure 3: Health Insurance Coverage Among Idahoans by Age and Demographics, 2018

| | Number Uninsured | Percent Uninsured |
|----------------------------------|------------------|-------------------|
| Children Under 19 | | |
| White Alone, Non-Hispanic/Latinx | 21,000 | 5.9% |
| Hispanic/Latinx | 6,900 | 8.0% |
| Non-Elderly Adults 19-64 | | |
| White Alone, Non-Hispanic/Latinx | 110,100 | 13.9% |
| Hispanic/Latinx | 42,300 | 34.3% |
| All Ages | | |
| White Alone, Non-Hispanic/Latinx | 131,500 | 9.3% |
| Hispanic/Latinx | 49,400 | 22.6% |

Source: American Community Survey 1-Year Estimates

Recent Policy Changes Leading to Harmful Coverage Losses Among Idaho Children

Most uninsured children are eligible for Medicaid or CHIP but are not currently enrolled. A key to reducing the child uninsured rate is for federal and state policies to make it easier for families to enroll and retain their public coverage. Changes over the last two years appear to have made it harder for families to enroll and renew their eligible children in Medicaid and CHIP. Families in Idaho continue to report new red tape barriers and mounting confusion over how to receive or maintain health coverage for their children (see one family's story on the last page). Harmful changes included requiring families to submit more paperwork to maintain their health coverage, cuts in various funding sources for outreach to eligible children and families, eliminating the individual mandate penalty, and dozens of policy choices creating a pervasive climate of fear and confusion for eligible immigrant families.

Medicaid and CHIP enrollment continues to decline this year, raising the threat of a continued increase in the child uninsured rate. State officials can help stem the tide. Idaho has several clear opportunities to get back on the right track and keep kids covered.

- 1 Allow children with disabilities to maintain coverage.** Children with disabilities and income above 185% FPL can qualify for Medicaid coverage through a distinct program called Katie Beckett, which has a higher income threshold with some out of pocket costs. In an attempt to help families avoid out-of-pocket costs they cannot afford, Idaho first verifies income for children with disabilities to see if they qualify for standard Medicaid. Recent changes now force families to jump through additional hoops to verify their incomes, kicking Idaho children with disabilities off of Medicaid despite the fact that they are nearly all eligible for the dedicated program with some out of pocket costs. Idaho can make a procedural exception for children with disabilities and stop taking away their health coverage when they get caught up in new red tape. For these children, the loss of coverage has extraordinary consequences.
- 2 Ensure families understand the re-enrollment process and eliminate unnecessary paperwork burdens.** Consider requiring more advanced notification or alternate ways of reaching out to families before they lose coverage by improving the rules governing the process in Idaho Administrative Code 16.03.01.
- 3 Raise Medicaid/CHIP eligibility for children from 185% FPL to 255% FPL.** Idaho has one of the lowest income eligibility levels for children in the nation, leaving low-wage working families with few options to cover their children.⁹ Coverage is often out of reach for children in this income range because premium assistance is based on ensuring the employee's coverage is affordable, not coverage for the entire family. Lawmakers could raise child eligibility to the national average of 255% FPL to help children who are experiencing the largest uptick in uninsured rates.
- 4 Raise Medicaid/CHIP eligibility for pregnant women from 138% FPL to 200% FPL.** Providing more women with access to health coverage during pregnancy is an important step to making sure children are born healthy and stay healthy. Raising Idaho's eligibility to the national average would help counteract recent coverage losses because when mothers have health coverage their children are more likely to as well.
- 5 Expand Medicaid without additional barriers to coverage.** The rate of uninsured children grew three times as fast from 2016 to 2018 in states that did not expand Medicaid compared to states that expanded Medicaid.¹⁰ Idaho's upcoming Medicaid expansion should prove very helpful to curb recent declines in health coverage among kids, because when parents are covered, kids are more likely to be covered too. But attempts to add barriers to Medicaid expansion, such as work reporting requirements, could sharply limit these positive effects for kids in Idaho. Idaho should expand Medicaid without imposing barriers to coverage.

Continuous health coverage is critical for Idaho's children and strengthens our communities. Health coverage not only improves children's health and educational outcomes, but also improves their earning potential when they grow up and protects their families from medical debt and bankruptcy. Idaho is now moving backwards on this key child health metric of children's insurance rates. Idaho's sudden drop in children's health coverage can only be stopped if policy makers rally around our shared goal of ensuring that all children have access to affordable, comprehensive health insurance.

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Endnotes

- 1 Levine and Schanzenbach's [paper](#) summarizes some of this evidence well.
- 2 Alker, J. and Roygardner, L., "The Number of Uninsured Children is on the Rise," Georgetown University Center for Children and Families, October, 2019.
- 3 U.S. Census Bureau, "2010-2018 American Community Survey 1-Year Estimates, Table DP03," accessed on Sept. 20, 2019.
- 4 U.S. Census Bureau, "Income, Poverty and Health Insurance Coverage in the United States," accessed on Sept. 20, 2019.
- 5 U.S. Census Bureau, "2017-2018 American Community Survey 1-Year Estimates, Table B27010," accessed on Sept. 20, 2019.
- 6 U.S. Census Bureau, "2017-2018 American Community Survey 1-Year Estimates, Table B27010," accessed on Sept. 20, 2019.
- 7 Brooks, T., "New Data Find Troubling Decline in Child Enrollment in Medicaid and CHIP Continues in Many States," Georgetown University Health Policy Institute, Jun. 19, 2019.
- 8 U.S. Census Bureau, "2016-2018 American Community Survey 1-Year Estimates, Table C27001H and C27001I," accessed on Sept. 20, 2019.
- 9 Kaiser Family Foundation, "Where Are States Today? Medicaid and CHIP Eligibility Levels for Children, Pregnant Women, and Adults," Mar. 31, 2019.
- 10 Alker, J. and Roygardner, L., "The Number of Uninsured Children is on the Rise," Georgetown University Center for Children and Families, October, 2019.

Note: The term white is used for simplicity in this report to refer to white non-Hispanic/Latinx people.

Paul's Story

Kootenai County, Idaho



Paul, an Idaho four-year-old, lost Medicaid coverage this summer because of complicated bureaucratic red tape.

Paul's parents received a devastating surprise this summer. Their four-year-old son with lifelong disabilities unexpectedly lost access to his weekly therapies, doctor appointments, and a planned surgery – all services essential to Paul's health and well-being.

When Paul was one year old, he had a stroke that resulted in multiple medical needs. Paul was enrolled in Idaho's Katie Beckett Medicaid, a program for children with disabilities and moderate household incomes. Medicaid is a critical lifeline for Paul as he grows and develops.

Days before Paul was preparing for a needed surgery in August, Medicaid denied the procedure. Paul's mother, Elizabeth, immediately sought help to fix what she assumed was a mistake. She was informed that Paul's Medicaid was canceled because of incomplete paperwork. This confused Elizabeth because she carefully monitors Paul's medical documents. She never saw reauthorization forms or notice of termination. Elizabeth was told she would have to complete the entire Katie Beckett Medicaid application process again, a process that can take upwards of three weeks.

Paul's surgery was canceled. His weekly speech, occupational, and physical therapies were canceled. To maintain access to his critical services and medications, Paul's family had to pay out of pocket at an incredible financial strain. Idaho's new bureaucratic red tape on Medicaid left Paul without needed medical care.

Sadly, Paul's story is not unique. There are dozens of similar stories where – through no fault of the family – a child's Medicaid is unexpectedly terminated due to added barriers to coverage and more complicated and confusing systems. Idaho Voices for Children is committed to addressing this crisis and is leading efforts to reverse Idaho's sudden decline in children's Medicaid coverage rates.

Promoting a Healthy Start in Life

Idaho Voices for Children champions policies that help kids and families thrive. We advance strategies that promote a healthy start in life and ensure access to affordable health coverage for every Idahoan.

Learn more about Idaho Voices for Children and share your own health care story at idahovoices.org.

