

**Partnership for Coverage:
Increasing Coverage for Children and Families
In New York State**



Children's Defense Fund

Written Testimony Submitted by:
Children's Defense Fund-New York
Jennifer Marino Rojas, Esq.
Deputy Director

October 30, 2007

Introduction

My name is Jennifer Marino Rojas and I am the Deputy Director at the Children's Defense Fund-New York. I would first like to thank Governor Spitzer, the State Department of Health and the Department of Insurance for hosting this important hearing today, and for affording the Children's Defense Fund-New York the opportunity to submit testimony.

For nearly 35 years, the Children's Defense Fund has provided a strong, effective voice for all the children of America who cannot vote, lobby or speak for themselves. The Children's Defense Fund educates the nation about the needs of children and encourages preventive investments before they get sick, into trouble, drop out of school or suffer family breakdown. We have worked in New York for 15 years, and we are honored to be a partner in what has been a broadly supported and thoughtful effort to address the crisis of New York's uninsured.

New York's Uninsured Children and Teens

New York has made tremendous progress in recent years in increasing the availability of public health insurance for children and families. Through a range of enrollment and renewal simplifications, program enhancements, system improvements and the implementation of facilitated enrollment, New York has created a more rational and effective health insurance system for working families.

However, our work is far from complete. An estimated 384,000 children and teens are still uninsured.¹ Seventy percent of these children, 268,000, are currently eligible for a public health insurance program, either Child Health Plus A or B, but remain uninsured.² Most significantly, the number of uninsured children in New York has remained stagnant over the last few years. Despite our best efforts to find and enroll eligible children and families, New York has fallen behind its commitment to decrease the number of uninsured children in our State.

For New York's children and teens, there are significant disparities between those who have access to health insurance and those who do not. Black and Hispanic children's un-insurance rates, at 10.8 percent and 9.9 percent respectively, are nearly twice that of White children, at 5.9 percent. Asian Pacific Islander children's un-insurance rates are even higher at 11.9 percent.

Additionally, while un-insurance rates are nearly half for White children, they still make up the majority of the uninsured children in New York at 39.6 percent. Black children make up 24.6 percent of the uninsured children, Hispanic children make up 24.8 percent and Asian Pacific Islander make up 9 percent.³

¹ Based on the average of the percentages of uninsured children in New York in the 2004, 2005 and 2006 Annual Social and Economic Supplement to the Current Population Survey (ASEC). The 2004 ASEC was adjusted for revisions to the health insurance variables made in the 2005 and 2006 ASEC. The average percentage was applied to the July 1, 2005 Census estimate by persons of single year of age in New York. Sources: U.S. Census Bureau, 2004, 2005, 2006 Annual Social and Economic Supplement to the Current Population Survey and Estimates of Persons by Race/Ethnicity and State for Single Year of Age as of July 1, 2005. Calculations by the Children's Defense Fund, September 2006.

² Id.

³ 2004, 2005, 2006 Current Population Survey, Annual Social and Economic Supplement

The vast majority of uninsured children live in working families. In fact, more than 77 percent of New York’s uninsured are working or dependents of workers.⁴ Additionally, 47 percent of uninsured children live outside of New York City,⁵ 75 percent are school-aged and nearly 90 percent are U.S. Citizens.

It is the goal of CDF-NY to develop a system of health insurance that will provide access to comprehensive and affordable health insurance coverage for every child in New York State. *No child* in New York should be without health insurance. Uninsured children are four times as likely as those with public coverage to lack a regular source of health care or have an unmet need for medications. Children in poor health are more likely to have poor social and economic outcomes and even shorter life expectancies.⁶ Providing health insurance for all children is not only the right thing to do, it is a moral imperative.

Today I will share our proposals for how New York can provide health insurance coverage to every child and adolescent in the State, focusing on outreach, streamlining and expansion.

Identify and Enroll Currently Eligible Children Not Participating in Child Health Plus A or B

Despite the current status of the Child Health Plus B expansion, New York can still decrease the number of uninsured children by finding and enrolling the 268,000 children who are currently eligible but not participating in a public health insurance program. New York State must continue its focus on outreach and streamlining efforts. Using data and on-the-ground monitoring, we must determine why children are not enrolled in public health insurance programs and target communities with the highest rates of uninsured children. By redefining outreach efforts to better communicate with families and reach deep into communities, we can begin to increase enrollment of the uninsured in the public health insurance programs.

One way to increase outreach is by expanding community-based facilitated enrollment throughout the State. With a significant increase in funding for community-based facilitated enrollment, the State can further the reach into the communities to find and enroll the “hard-to-reach” New Yorkers who have been historically left out of public health insurance programs. Facilitated enrollers are in the communities where the uninsured live and work, at local clinics, schools, community centers and organizations and other convenient locations, all providing evening and weekend hours and speaking more than 40 languages. They help screen families for eligibility, complete the application, gather all the documents necessary to prove eligibility, conduct the legally-mandated face-to-face interview and, when necessary, select a managed care plan.

Facilitated enrollment has become the backbone of New York’s enrollment system for Medicaid, Family Health Plus and Child Health Plus. Statewide, more than 50 percent of Medicaid and Family Health Plus applications are completed at facilitated enrollment sites. Since 2000, community-based organizations have helped more than 900,000 children, teens and adults apply

⁴ United Hospital Fund, “Health Insurance Coverage in New York, 2003-2004,” Urban Institute and United Hospital Fund, November 2006.

⁵ *Id.*

⁶ Medical Care Research and Review, “The Consequences of Being Uninsured,” Kaiser Commission on Medicaid and the Uninsured, Volume 60, No. 2 June 2003.

for and maintain their coverage. Clearly, facilitated enrollment is one of the most effective tools we have for finding and enrolling the most hard-to-reach children and families.

Once these children are identified, the process to enroll and maintain health coverage must be streamlined in order to ensure full participation. CDF-NY has seven proposals that would improve the efficiency of Child Health Plus A and B enrollment and decrease the number of children who unnecessarily lose coverage at renewal.

Elimination of face-to face requirement

One critical simplification proposal is to eliminate the face-to-face interview requirement for Child Health Plus A.⁷ (There is no face-to-face requirement for Child Health Plus B.) New York is one of only six states that still mandate a face-to-face interview for children and one of only 12 states that require it for adults.⁸ New York has been able to accommodate this requirement with the existence of facilitated enrollment which meets the face-to-face interview requirement for those who apply through a facilitated enroller outside a local district. Regardless, it is still a burden on New York's working families to attend a face-to-face interview; therefore, New York should eliminate this requirement.

Create a seamless transition between programs

Children transitioning between Child Health Plus A and B because of a change in family income or moving on to adult Medicaid and Family Health Plus frequently experience gaps or total loss in coverage. The lack of coordination between New York's public health insurance programs leads to significant challenges for families attempting to maintain coverage and unnecessary coverage gaps for eligible children and adolescents as they transition between programs.

The State should construct the necessary bridges between programs to permit seamless and "behind-the-scenes" transfers of eligibility from one public health insurance program to another, rather than burdening families with unnecessary administrative requirements that may lead to temporary or permanent loss of coverage for eligible children. By linking New York's existing KIDS and WMS data systems, allowing applications for renewal in one program to function as applications for enrollment in another, and automating these transfers, these problems can be resolved, making it easier for families to maintain coverage and continuity of care.

Align age-based eligibility requirements

New York recently reinstated age-based eligibility rules that cause some children to lose coverage as a result of their sixth birthday, and children of different ages in the same household to be enrolled in different programs. New York should rationalize its eligibility rules for the benefit of both children and families and eliminate the confusion, and paperwork needed to move children between programs. The eligibility levels for Child Health Plus A for children ages 6 through 18 should be aligned with eligibility levels for children age 1 through 5 which is currently at 133 percent of the federal poverty level.

Streamlined Renewal

We know that a significant number of children lose their coverage at renewal, only to be re-enrolled in the program within several months. The State has already begun to make some

⁷ SSL § 366-a(1),(2).

⁸ Supra note 9.

simplifications at renewal, including the elimination of documentation of income and residency. CDF-NY is calling for the implementation of additional streamlining measures that would better enable New Yorkers to maintain their coverage. We are recommending a shortened renewal form with a 60-day grace period for Medicaid for those who appear eligible pending completion/submission of additional required information. We are also calling on the State to continue exploring the potential of phone renewal that would eliminate documentation altogether.

Aligning means-tested programs

CDF proposes linking the application and renewal processes for Medicaid with the Food Stamp Program, the most similar means-tested benefit programs. This not only simplifies the process for families it also reduces administrative costs to local districts. For example, an estimated 878,000 families with children are enrolled in both food stamps and a Medicaid program in New York. We also know that 187,000 individuals living with children are enrolled in the Food Stamp Program but not Medicaid. CDF-NY proposes several actions to better align these programs.

First, we propose the implementation of ex-parte reviews at renewal. With this proposal, information obtained for eligibility purposes for the Food Stamp Program is used to automatically extend Medicaid coverage for 12 months. This would eliminate the need to send a renewal application and a family would not be required to take any additional action to maintain their coverage.

Secondly, a system of auto-enrollment between the Food Stamp and Medicaid Programs should be implemented. Because the food stamp eligibility and enrollment requirements are much more strenuous than the Medicaid requirements, those individuals could be automatically enrolled into public health insurance. At the very least, these families could be automatically referred to enroll in public health insurance. We are pleased that the Governor's Children's Cabinet is examining this issue and work is already underway to move forward.

Parent coverage

Additionally, simplification proposals designed for children should be extended to their parents. We know that a highly effective way to increase a child's access to coverage is to ensure coverage of their parents.⁹ We therefore propose that adult Medicaid and Family Health Plus programs be redefined by eliminating the asset test and rescinding the finger printing requirement for adults in Medicaid. We also propose eliminating documentation requirements that are not federally mandated at application and eliminating the face-to-face interview requirement.

Technology Improvements

In order to truly open the door to enrollment for those who are eligible, we must enhance the existing technological infrastructure that operates New York's public health insurance programs. New York should create a statewide electronic enrollment pathway (an application and platform to transfer data to the local districts and health plans) to make it easier to access health insurance, create greater efficiencies for local districts and facilitated enrollers, increase the accuracy of applications and decrease administrative processing time at the local district level.

⁹ Leighton Ku and Mathew Broaddus, "Coverage of Parents Help Children, Too" Center on Budget and Policy Priorities, October 2006.

Expansion of Child Health Plus B

The efforts described above would help bring all currently eligible children into the public health insurance programs; however, there are still many children whose families cannot afford private coverage but are not eligible for public health insurance programs. Therefore, we must continue to push for a program that will ensure comprehensive health coverage for every child in New York State.

We applaud the New York State Legislature and Governor Spitzer for passing legislation that would expand eligibility levels for Child Health Plus B from 250 percent of the federal poverty level to 400 percent of the federal poverty level. That expansion would have made 72,000 more children eligible for coverage and is a comprehensive and effective step toward providing all children in New York with access to affordable and comprehensive health coverage.

We are obviously disappointed with what has happened at the federal level. We are frustrated with the Centers on Medicare and Medicaid Services' onerous requirements issued on August 17, 2007 that would make it nearly impossible for New York or any state to expand Child Health Plus B eligibility levels above 250 percent of the federal poverty level. We are also extremely disappointed with the federal SCHIP reauthorization process and how the President and Congress have lost their focus and continue to play politics at the expense of children's health insurance.

We urge the State to remain steadfast in its commitment to covering every child in New York and to continue efforts to identify ways to achieve the critical expansion of Child Health Plus B.

CDF-NY would like to emphasize that the Child Health Plus B expansion, as legislated, has put into place reasonable procedures for preventing crowd-out. New York's proposed reasonable sliding scale premiums and six-month waiting period were designed to prevent families from migrating from employer-sponsored coverage to public coverage.

Conclusion

We are extremely appreciative for this hearing and its focus on the critical issue of health coverage for all New Yorkers. All of us at the Children's Defense Fund-New York are deeply grateful and look forward to working in partnership with you to ensure that every child in New York State receives the health insurance coverage they need and deserve to have a healthy start in life.