

# Action Alert!

Time-sensitive facts regarding  
legislation affecting Michigan's  
children and families.

## for Child and Family Advocates



December 1, 2009

### **Take Action: Ensure That *All* Children Benefit From Federal Health Care Reform!**

Health care reform has been at the forefront of the national debate, and the public reaction to pending reform legislation has intensified. It is critical to the future of Michigan and the country that all children are covered; have access to high-quality, affordable health care; and, are not worse off as a result of reform.

#### **House Action**

On November 7, 2009, members of the U.S. House of Representatives took an historical vote and passed a health reform bill, the Affordable Health Care for America Act of 2009 (H.R. 3962). Several provisions in the legislation relate to services to children and their families, including:

- Extending the increase in the federal Medicaid match rate (FMAP) included in the American Recovery and Reinvestment Act (ARRA) through July 2011;
- Establishing a new Medicaid eligibility floor of 150 percent of the federal poverty level (FPL);
- Providing federal funding for increases in reimbursement rates for Medicaid primary care providers (pegged to Medicare over time);
- Extending the Children's State Health Insurance Plan (CHIP) through December 31, 2013 rather than ending it on September 30, 2013;
- Supporting home visiting programs at \$750 million over five years;
- Improving the definition of "essential benefits package;"
- Extending dependent coverage through the age of 27 under private insurance;
- Supporting school-based health centers;
- Prohibiting pre-existing condition exclusions;
- Prohibiting cost-sharing requirements for prevention services as recommended by the United States Preventive Services Task Force (USPSTF);
- Establishing a medical home pilot; and,
- Creating a national health Exchange where individuals without other coverage options can buy insurance through a public plan or private insurers.

Of concern in the House-passed bill is a provision to eliminate CHIP on December 31, 2013. Michigan's CHIP program, MICHild, is separate from the state's Medicaid program and covers children from 150% to 200% of poverty. Under the House-passed bill, the more than 30,000 Michigan children currently enrolled in MICHild would be moved into the new Exchange where they could face higher costs, and could access fewer benefits. The House legislation does attempt to safeguard children enrolled in separate CHIP programs by requiring the U.S. Health and Human Services (HHS) to study how children

would fare in the Exchange, and gives Congress two years to make coverage, benefits, and affordability comparable for children in CHIP. The bill does not, however, prevent children from being moved into the Exchange until coverage, benefits, and affordability are at least comparable.

### **Senate Action**

On November 18, 2009, Senate leadership unveiled the Patient Protection and Affordable Health Care Act (H.R. 3590), which is similar to the House bill with a few key differences regarding financing, effective dates, and the public option plan. The Senate bill includes several provisions to improve access and care for children and families that are also found in the House bill:

- Prohibiting pre-existing condition exclusions;
- Supporting home visiting programs;
- Improving the definition of “essential benefits package;”
- Extending dependent coverage through the age of 26 under private insurance;
- Supporting school-based health centers;
- Prohibiting cost-sharing—any contributions paid by individuals pay towards the cost of their health care—requirements for prevention services as recommended by the United States Preventive Services Task Force (USPSTF);
- Establishing a medical home pilot; and,
- Creating a national health Exchange where individuals without other coverage options can buy insurance through a public plan or private insurers.

The Senate bill varies from the House bill in several key respects by:

- Retaining the federal CHIP program, extending it to December 31, 2019, and allowing states to keep CHIP-eligible children in current programs rather than moving them into the Exchange; and,
- Establishing a new Medicaid floor up to 133 percent of the federal poverty level (FPL).

### **The Casey Amendment**

Although the Senate bill does keep CHIP, it does not fund it beyond the current reauthorization in 2013. However, Senator Bob Casey (D – PA) has introduced an amendment to improve CHIP, including fully funding it through 2019. The Casey amendment also:

- Requires a report to Congress about the difference between children’s coverage in the Exchange and through CHIP to inform decisions about transitioning kids into the Exchange;
- Provides funding incentives for states to implement recognized best practices for streamlining enrollment of eligible children;
- Creates an eligibility floor of 250 percent of the federal poverty level beginning in FY 2014;
- Prevents states from increasing CHIP costs charged to families;
- Requires that states offer children in CHIP the same benefits offered to children in Medicaid; and,
- Provides funding for outreach and enrollment grants begun under CHIPRA.

## What can I do?

Congress is closer than ever to passing health care reform, and many Americans agree that reform is greatly needed. Advocates for children must not miss this opportunity to ensure that our youngest and most vulnerable citizens have access to high-quality, affordable coverage, including the approximately 160,000 uninsured Michigan children who are not receiving the health care they need to grow and thrive.

*Now is the time to contact YOUR members of Congress.*

## House Contact

Thank your Michigan House members who voted to pass the Affordable Health Care for America Act of 2009 (H.R. 3962): Conyers (D-Detroit, 14<sup>th</sup>), Dingell (D-Dearborn, 15<sup>th</sup>); Kildee (D, Flint, 5<sup>th</sup>); Kilpatrick (D-Detroit, 13<sup>th</sup>); S. Levin (D-Southfield, 12<sup>th</sup>); Peters (D-Bloomfield Township, 9<sup>th</sup>); Schauer (D-Battle Creek, 7<sup>th</sup>); and, Stupak (D-Menominee, 1<sup>st</sup>).

Reach out to those who voted against health reform legislation to discuss the reasons for their opposition and to let them know that you believe health care reform is critical for all Michigan children and their families: Camp (R-Midland, 4<sup>th</sup>); Ehlers (R-Grand Rapids, 3<sup>rd</sup>); Hoekstra (R-Holland, 2<sup>nd</sup>); McCotter (R-Livonia, 11<sup>th</sup>); Miller (R-Harrison Township, 10<sup>th</sup>); Rogers (R-Brighton, 8<sup>th</sup>); and, Upton (R-St. Joseph, 6<sup>th</sup>).

## Senate Contact

Tell them to support health reform, make sure children are not negatively impacted by any reform measures, that all children are insured, and that they receive the health care services they need.

Also ask Senators Levin and Stabenow to support child-friendly amendments that are introduced—particularly the CHIP amendment introduced by Senator Casey on November 30<sup>th</sup> and amendments expected from Jay Rockefeller (D – WV).

## What is the message?

- **Pass health care reform.** It is critical that our nation adopt health reform that provides coverage to everyone, addresses the rising cost of insurance, and improves the quality of care.
- **Coverage of all children, especially our most vulnerable, is a national priority.** When family budgets are tight, children's needs come first; government budgets should be no different. Congress must close the existing disparities in access, services and outcomes for low-income children and children of color.
- **Ensure that children are not worse off following health reform.** If children now covered by public programs are placed in new plans, Congress should ensure that those plans provide comparable, if not better, benefits and cost-sharing protections. *Supporting the amendment introduced by Senator Casey.*
- **Provide quality care that helps children grow and thrive.** All kids—in the Exchange, CHIP, or Medicaid—should receive Early Periodic Screening and Diagnostic Testing (EPSDT)-type of benefits. *Supporting the amendment introduced by Senator Casey would provide EPSDT benefits for CHIP kids.*

- **Health reform must provide for less red tape, so kids get covered and stay covered.** States have proven that cutting down paperwork and simplifying eligibility and enrollment in CHIP and Medicaid works to get more kids covered. *Supporting the amendment introduced by Senator Casey would provide incentives to states to implement recognized best practices for streamlining enrollment and reenrollment of eligible children.*
- **Health reform should come at a cost parents can afford.** According to a recent national poll by the Georgetown University Center on Children and Families, affordability is a top priority for voters, ranking above concerns about the federal budget by a two-to-one margin.

### **Need more information?**

Don't know who your elected officials are? Check out this website:

<http://www.congress.org/congressorg/state/main/?state=MI&view=myofficials>

Visit our Health Care Reform website:

<http://www.michiganschildren.org/index.php/Health/Health-Care-Reform.html>