Be sure Texas kids get the same health opportunities as children in other states.

> "In this new world, the single best way to ensure kids access the coverage and care they need is by covering their parents."
>
> – Joan Alker, Georgetown University's Center for Children and Families

Giving children the healthiest possible start in life reaps returns for decades to come. That's why Texas chambers of commerce, faith interests, and leaders from across the ideological spectrum have worked so hard over the years to bring down Texas' persistently high rate of uninsured children. For all the progress of recent years, more than 16% of Texas kids are at risk of falling behind in their development and getting sick more often because they live without health coverage.[1] The good news is Texas has a powerful new ally in the campaign to cover more children: the Affordable Care Act.

What to Know:

- Efforts at the state level to improve the lives of uninsured children have helped bring down Texas' uninsured child rate by a few percentage points since 2009.[2] However, Texas still has the nation's second-highest rate and the largest number of uninsured kids. Experts say major improvement could lie ahead because, if implemented correctly, **federal health reform has the ability to reduce the rate of uninsured kids by 40%.**[3]

- Some Texas kids have already gained or kept coverage under the reform law, which bans denying health insurance to children with pre-existing conditions, ends lifetime caps on health care, and ensures existing CHIP and Medicaid services continue to work well for children.[4, 5] But the Affordable Care Act's greatest impact may well come from the parts of the law that provide **coverage for more parents, something shown to lead to healthier kids**, as more children get coverage and services they need to thrive as a result, and more children experience healthier development as parents' health and mental health needs are met.[6, 7]

- Most children in Texas who are uninsured already qualify for Medicaid or CHIP, and one of the things contributing to their remaining uninsured is how few of their parents are eligible.[8] Earning just $3,400 per year is too much for a parent of one child in Texas to qualify for Medicaid coverage today; income limits for parents here have not changed since 1985.[9] Few low-income parents can afford or are offered private health care through their jobs, so they stay uninsured and often their children do, too. **Leaving a child's low-income parents uninsured roughly triples the odds that that child will be uninsured**, even if he or she is eligible for Medicaid or CHIP.[10]

- One part of the Affordable Care Act that would help cover 40% of the state's uninsured parents of young Texans is the Medicaid extension, a solution that would offer approximately 710,000 Texas parents earning up to 133% of the federal poverty level health insurance.[11] **Medicaid extension is entirely paid for by federal dollars** for three years, with the federal contribution never falling below 90% after that. Texas must pass legislation in order to take advantage of this opportunity.

- The Affordable Care Act also provides subsidies for middle-income families who will purchase health insurance in an online marketplace called the exchange. This is especially important in Texas because so **many middle class children and families lack affordable health care through their jobs.**[12] In fact, in 2011, the one group of Texas children *more* likely to be uninsured than in the year before were kids in families earning 200%-300% of the federal

poverty level (roughly $38,000-$57,000 a year for a family of three).[13]

How to Make it Happen:

- **Approve the Medicaid solution** that allows low-income adults to enroll for coverage starting in 2014 at no added cost to Texas until 2017. The strategy helps give families economic stability, potentially saves lives, and promises to help children get covered and grow up in healthier households due to their parents being insured.
- **Give kids here maximum opportunities** as Texas implements health care reform, including seeing that the Texas Department of Insurance does its part to enforce the law in ways that benefit family consumers over insurance companies and includes the full scope of pediatric health and mental health services families need.
- **Monitor the establishment of the health care exchange,** which will initially be federally facilitated but later can involve more partnership with the state, leading to reforms customized for Texans. Tailoring the exchange for Texas could allow for more affordable health coverage options for more Texas families.

For more on this topic, visit http://texaswellandhealthy.org

400,000 currently uninsured children are likely to be covered if Texas accepts federal funds to cover more people on Medicaid, the Texas Health and Human Services Commission estimates.

Thinking About Costs

Texas economists have found the solution that would provide Medicaid for more Texas parents, starting in 2014, would provide a windfall for state and local governments, as well. According to the Perryman Group, the influx of tens of billions in federal dollars if Texas moves forward with the Medicaid extension over the decade would affect Texas' economy in numerous ways. For example, it would generate $1.29 *more* in state revenue for each $1 Texas puts in, while also saving $1.21 at the local level.

Sources

TEXANS CARE for CHILDREN

Thinking About Costs

- The Perryman Group. "Only One Rational Choice: Texas Should Participate in the Medicaid Expansion Under the Affordable Care Act." October, 2012. http://www.perrymangroup.com/reports/MedicaidExpansion12_1003.pdf
- Texas Health and Human Services Commission and Legislative Budget Board data provided to the Center for Public Policy Priorities. See: http://cppp.org/files/3/HC_2012_08_PP_What_We_Know_Med_Expand.pdf

1 U.S. Census, "Income, Poverty, and Health Insurance Coverage in the United States: 2011." http://www.census.gov/hhes/www/hlthins/hlthins.html

2 Georgetown Center on Children and Families. "Uninsured Children 2009-2011: Charting the Nation's Progress." October, 2012.

3 Genevieve M. Kenney, Matthew Buettgens, Jocelyn Guyer, and Martha Heberlein. "Improving Coverage For Children Under Health Reform Will Require Maintaining Current Eligibility Standards For Medicaid And CHIP" *Health Affairs, December 2011, 30:122371-2381; doi:10.1377/hlthaff.2011.0899.*

4 *What is the Affordable Care Act: No Denials for Kids with Pre-Existing Conditions.* (Health Care and You Coalition), Accessed May 3, 2012, http://www.healthcareandyou.org/what-is/insurance-companies/.

5 Kenney, Buettgens, et. al., 2011.

6 Center on Budget and Policy Priorities and Georgetown Center for Children and Families. "Expanding Coverage for Parents Helps Children." July, 2012. http://ccf.georgetown.edu/wp-content/uploads/2012/07/Expanding-Coverage-for-Parents.pdf

7 Dr. Oliva Golden, The Urban Institute. "Covering Parents is Good for Kids: Treating Depressed Mothers Can Help Children's Development." October, 2012. http://ccf.georgetown.edu/ccf-resources/treating-depressed-mothers-childrens-development/

8 Anne Dunkelberg, Center for Public Policy Priorities. "What We Know About the Medicaid Expansion." July, 2012. http://cppp.org/files/3/HC_2012_08_PP_What_We_Know_Med_Expand.pdf

9 Email correspondence with Anne Dunkelberg. September 25, 2012.

10 Center on Budget and Policy Priorities, et. al., 2012.

11 Georgetown Center for Children and Families. "Texas: Uninsured Parents Potentially Eligible for Medicaid Under the ACA." June, 2012. http://ccf.georgetown.edu/wp-content/uploads/2012/06/Texas-fact-sheet.pdf

12 *Texans Among Americans Least Likely to be Insured Through Work: Health reform to provide new alternatives in 2014*, (Austin: Center for Public Policy Priorities, 2012), Accessed May 3, 2012, http://www.cppp.org/files/3/2012_02-23_ESI_Decline.pdf.

13 Anne Dunkelberg. "What the New Census Data for the Uninsured Mean for Texas Children." September, 2012. http://texaswellandhealthy.org/2012/09/12/what-the-new-census-data-on-the-uninsured-means-for-texas-children/