

Health coverage is the ticket to consistent, preventive health care for children; it keeps them healthy and ready to learn. During economic downturns, it is even more important to ensure that children have the security of health coverage. In fact, now more than ever, we cannot afford to let children go without cost-effective coverage that will save the state money in the long run.

Children with health coverage are healthier, are at less risk of suffering from preventable illnesses, and have better access to needed health care services.

- The health status of previously uninsured California children enrolled in Healthy Families for one year improved by 25 percent.¹
- Children with health insurance receive health care more regularly and in more appropriate settings. Uninsured children are nearly eight times less likely than insured children to have a regular source of care.² Uninsured children are also five times more likely to use the emergency room as a regular source of care.³
- Health insurance is important to guarantee adequate preventive health care during the critical period of a child's growth. When health problems go undiagnosed, they can lead to developmental delays and lifelong impairments.⁴
- Programs like Healthy Families have not only improved access to and utilization of health care, but have also had a statistically significant and clinically meaningful impact on children's physical, mental, and social well-being.⁵

Children need continuous coverage.

- A study on gaps in Medi-Cal coverage found that three years after being dropped from Medi-Cal coverage, up to two-thirds of the children are back in the program.⁶
- Children losing coverage for which they are eligible is a major driver of children's uninsurance rates. Nationally, almost half of low-income uninsured children were enrolled in either Medicaid or SCHIP programs the previous year.⁷
- When children have gaps in coverage and do not get timely preventive care, they often end up requiring more expensive health care, such as hospitalizations and emergency room visits.⁸
- When California simplified the renewal requirements for Medi-Cal, the percentage of children who received continuous health coverage increased from 49 to 62 percent. Over the ensuing two years, the state saved \$17 million because fewer children went to the emergency room for preventable conditions.⁹
- By promoting continuous coverage, the state can save significant money in medical costs. Children who experience gaps in coverage have substantially higher health costs after a gap in Medi-Cal coverage than before a gap in coverage. A recent study found that the total Medi-Cal costs for children averaged \$5.9 million in the six months before the gap, but more than doubled to approximately \$13.5 million in the first month after the gap, when children return with unmet medical needs.¹⁰

Children with health insurance learn better.

- Health insurance impacts school performance. Children covered by Healthy Families showed a 63 percent improvement in "paying attention" and a 64 percent improvement in "keeping up with school activities" over their performance when uninsured.¹¹
- Children with health coverage miss less school due to health issues such as asthma, dental disease and other health problems than children without health insurance.¹²

Children's health coverage is good for the economy.

- For every one dollar that California spends to cover children in Medi-Cal or Healthy Families, the federal government sends the state up to two dollars.
- Local efforts to cover children have already resulted in millions of additional state and federal dollars flowing into local economies. For example, the Santa Clara Children's Health Initiative (CHI) increased state and federal spending in Santa Clara County by an estimated \$24.4 million during the program's first two years.¹³
- Furthermore, a study of 9 local CHIs in California found that providing health coverage for children reduced hospitalizations in the CHI counties by 25 percent and saved up to \$7.35 million annually in preventable hospitalizations.¹⁴ If all low-income children had health insurance, the state could save \$24.3 million per year in preventable hospitalizations.¹⁵

- With health insurance, more children receive vaccinations. Vaccinations save money. For example, each dollar spent on a measles-mumps-rubella vaccine generates about \$23 in total health care savings.¹⁶
- California could save \$40 million a year that it currently spends re-enrolling children who are unnecessarily disenrolled from programs.¹⁷ Simplifying the renewal process makes it easier for families to keep their eligible children enrolled so that children do not experience gaps in coverage.

Health coverage for all children is achievable.

- California has made great strides in reducing the number of uninsured children. Approximately 683,000 children, 6.4 percent of all children in California, still remain uninsured.
- Children are the least expensive population to insure.¹⁸ Most children are healthy and, when they get needed preventive health care services, their health care needs are relatively inexpensive compared to those of adults.¹⁹
- Many counties throughout the state have built public-private partnerships that have successfully demonstrated that providing health coverage for all children is feasible and cost-effective.
- With limited state and federal assistance, funding for these local efforts has not kept up with demand. Several programs have been forced to establish waiting lists. It is crucial to build on these successful models to ensure that affordable coverage is available to all children.

Californians overwhelmingly support health coverage for all children.

- A November 2006 poll commissioned by United Ways of California found that 81% of voters support ensuring that all kids have health insurance.²⁰ Findings from a September 2008 poll commissioned by the 100% Campaign and PICO California show similar support – about three in four likely voters support providing health coverage to all children.
- Public will, however, has not translated into reality. California ranks 40th out of all states in securing access to health care for children.²¹

The 100% Campaign, a collaborative effort of The Children's Partnership, Children Now and Children's Defense Fund California, was created to ensure that all of California's children obtain the health insurance they need to grow up strong and healthy. www.100percentcampaign.org

The PICO California Project is the united effort of 20 California congregation-community organizations affiliated with the PICO National Network. Collectively, we represent 350 congregations and 400,000 families statewide and are actively organizing in over 70 cities in Northern and Southern California. www.picocalifornia.org

¹ Managed Risk Medical Insurance Board, "The Healthy Families Program Health Status Assessment (PedsQL™) Final Report," Revised September 2004.

² American College of Physicians-American Society of Internal Medicine. *No Health Insurance?: It's Enough to Make You Sick*. American College of Physicians-American Society of Internal Medicine, Philadelphia, November 1999.

³ Ibid.

⁴ M. Jhavar, et al. *Many Children Remain Uninsured and Not Eligible for Medi-Cal and Healthy Families*, UCLA Center for Health Policy Research, December 2004.

⁵ M. Seid, J.W. Varni, et al., "The Impact of Realized Access to Care on Health-Related Quality of Life," *Journal of Pediatrics*, September 2006; Vol. 149:354.

⁶ Gerry Fairbrother and Joseph Schuchter, *Stability and Churning in Medi-Cal and Healthy Families* The California Endowment, March 2008

⁷ Benjamin D. Sommers, "Why Millions of Children Eligible for Medicaid and SCHIP Are Uninsured: Poor Retention Versus Poor Take-Up," *Health Affairs*, Vol. 26, No. 5 (2007): w560-w567.

⁸ Uninsured children are 5 times more likely to use the emergency room. American College of Physicians-American Society of Internal Medicine. *No Health Insurance? It's Enough to Make You Sick*. American College of Physicians-American Society of Internal Medicine, Philadelphia, November 1999.

⁹ A.B. Bindman, MD; A. Chattopadhyay, PhD; and G.M. Auerback, MPH; "Medicaid Re-Enrollment Policies and Children's Risk of Hospitalizations for Ambulatory Care Sensitive Conditions," *Medical Care*, October 2008; Vol. 46.

¹⁰ Gerry Fairbrother and Joseph Schuchter, *Stability and Churning in Medi-Cal and Healthy Families* (The California Endowment, March 2008).

¹¹ Managed Risk Medical Insurance Board, "The Healthy Families Program Health Status Assessment (PedsQL™) Final Report," Revised September 2004.

¹² B. Shenkman, *Healthy Kids Program: Access to Care; Provision of a Medical Home; Quality of Care for Children with Asthma*, Institute for Child Health Policy, October 2001; E. Shenkman, *Institute for Child Health Policy, Children's Health Insurance Program in Texas: The New Enrollee Survey Report 2003*, Texas Health and Human Services Commission, March 2003.

¹³ C. Trenholm, E. Howell, D. Hughes, and S. Orzol, *Santa Clara Healthy Kids Program Reduces Gaps in Children's Access to Medical and Dental Care*, Mathematica Policy Research, Inc., The University of California, San Francisco, and Urban Institute, Revised August 2005.

¹⁴ Michael R. Cousineau, et al., *Covering California's Kids Evaluation: Children's Health Initiatives Have Helped Prevent Over 1,000 Unnecessary Child Hospitalizations Annually*, (Center for Community Health Studies, University of Southern California, December 2007)

(http://communityhealth.usc.edu/USC%20Center%20for%20Community%20Health%20Studies/Center%20for%20Community%20Health%20Studies%20at%20USC_files/Preventable%20Hospitalizations%20Brief.%2012-7.pdf).

¹⁵ Michael R. Cousineau, et al., "Preventable Hospitalizations Among Children in California Counties After Child Health Insurance Expansion Initiatives," *Medical Care*, Vol. 46 (2008): 142-147.

¹⁶ Center for Disease Control; <http://www.cdc.gov/nip/events/niw/2003/03pressrel.pdf>. Accessed March 29, 2006.

¹⁷ G. Fairbrother, *How Much Does Churning in Medi-Cal Cost?* The California Endowment. April 2005.

¹⁸ S.S. Tang, *Fact Sheet: Children's Health Insurance*, American Academy of Pediatrics, Updated July 2005.

¹⁹ American Academy of Pediatrics, press release: *More than 9 million children and adolescents are uninsured*, http://www.aap.org/advocacy/washing/9million_uninsured.htm, Accessed August 4, 2005.

²⁰ <http://www.covercaliforniakids.org/facts.php>

²¹ K. Shea, MPH; K. Davis, PhD; and E. Schor, "U.S. Variations in Child Health Systems Performance: A State Scorecard," The Commonwealth Fund, May 2008, Vol.

94; http://www.commonwealthfund.org/publications/publications_show.htm?doc_id=687113