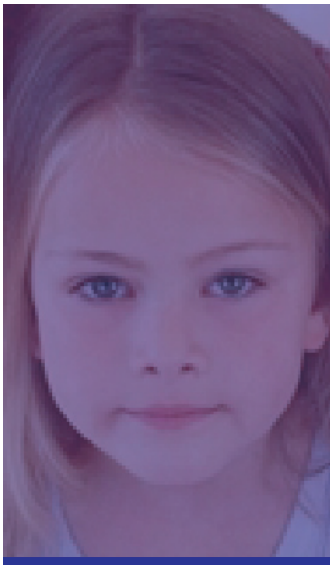


The Obama Health Plan & Children's Coverage

BY HARBAGE CONSULTING, LLC

Democratic presidential candidate and Senator Barack Obama (D-IL) has proposed a health care reform plan that will extend coverage to millions of Americans, including universal coverage for children.[1] The Obama plan builds on existing coverage systems, while improving the availability and affordability of coverage for families. This paper assesses how well the Obama plan will change and improve coverage for American children, and how his plan might be implemented to achieve these goals.

- **More than 8 million children will become insured.** The Obama plan will require parents to enroll their children in coverage, which paired with reforms to make coverage more affordable and available, will extend coverage to all the currently 8 million uninsured children. This means children will have better access to care, reduced unmet health needs, and, improved health status.

- **Successful public programs will be expanded and strengthened to provide coverage to more children.** In the face of declining employer-based coverage, Medicaid and SCHIP have played an integral role in expanding access to coverage and care for the most vulnerable American children, the disabled and low-income. The Obama plan would continue and expand the important role these programs play as safety-net coverage for children.

- **Tens of millions of children will benefit from improved consumer protections in the private health insurance market.** The Obama plan will fill in the cracks in our current health insurance system, making insurance affordable and available, and ensuring that it covers the benefits children need. Insurers in non-competitive markets will be required to use premium dollars to provide quality care, not increase profits.

After considering the ways that these reforms will improve access to health coverage for children, this paper will offer suggestions for how to implement these reforms.

I. Introduction

A recent poll by Kaiser Family Foundation found that health care continues to be one of the top four issues in the 2008 election, with 16 percent of Americans identifying it as their number one campaign issue.[2] Children's health issues have also come to the fore this year, as Congress and President Bush failed to agree on the future of the successful State Children's Health Insurance Program (SCHIP).

FIRST FOCUS
MAKING CHILDREN & FAMILIES THE PRIORITY
www.firstfocus.net

Health coverage is particularly important for children given their developmental needs. Children with insurance are more likely to have usual sources of care and less likely to have unmet health care needs. With 11 percent of Americans under 18 (roughly 8 million children) without health coverage in 2007,[3] children's health care is an important part of the health reform debate. This paper will review the status of children's coverage leading up to the election, present an analysis of the health proposal of Sen. Obama and the implications it holds for children's health coverage. In addition, this paper looks ahead to options for implementing the Obama plan to maximize its positive impact on children's coverage and access to care.

II. Background

OBAMA'S HEALTH REFORM PLAN

The Obama plan would build on our current system of insurance, while strengthening the safety net for all Americans, and particularly children. Universal coverage for children is a top priority of the Obama plan, and at the heart of this proposal is assistance for parents to provide health insurance and a requirement for them to obtain it for their children. Other elements of the plan aim to make coverage available and affordable to every family.

In seeking to build on our current system of employer-sponsored health insurance (ESI), the Obama plan retains the current ESI tax exemption and requires employers to make meaningful contributions towards their employees' coverage. The Obama plan will ensure that the families currently covered by employer insurance can keep their existing coverage.

For families who do not receive their health insurance through their employers, the Obama plan will expand eligibility for children's coverage through public Medicaid and State Children's Health Insurance Programs (SCHIP).

Comprehensive coverage would become more affordable and available through several significant reforms, including the creation of a National Health Insurance Exchange. In this exchange, private insurers would compete with each other and with a national public health plan modeled on the coverage plan currently available to federal employees. According to the Obama plan, the Exchange "will act as a watchdog and help reform the private insurance market by creating rules and standards."[4]

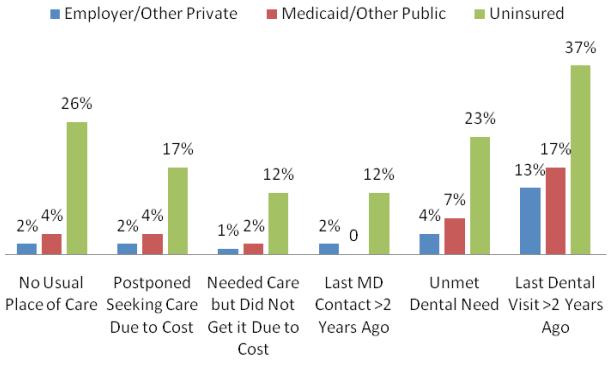
CHILDREN AND HEALTH COVERAGE

Health coverage plays a key role in ensuring the health, well-being and successful development of America's children. In 2007, more than 8 million children, or 11 percent of the American population under age 18, lacked health insurance. These children are more likely to lack regular access to primary care, have poorer health status and unmet health needs.[5]

IMPORTANCE OF COVERAGE

Children need regular access to health care and well-child visits to ensure that they are developing healthfully. Children who are insured are more likely to be in good health, have a usual source of care, regularly receive medical attention, and are less likely to delay care or have unmet health needs.[6] Because uninsured children are less likely to receive care for common illnesses, they are more likely to experience a preventable hospitalization or not receive a diagnosis for a more serious health condition.[7]

CHART 1. CHILDREN'S ACCESS TO CARE, BY HEALTH INSURANCE STATUS, 2006



SOURCE: The Kaiser Commission on Medicaid and the Uninsured, "The Uninsured: A Primer," October 2007.

Regular access to this type of care also facilitates the identification and treatment of special health needs early in life, giving children a better chance of growing up to live healthy, successful lives. Health insurance is particularly important to help children with special health needs. Nearly 20 percent of parents with uninsured special needs children report delaying seeking care for their children due to cost.[8] This is significantly higher than rates of delaying care for special needs children with public or private insurance, estimated at 3.5 and 4.3 percent, respectively.[9]

The Obama plan recognizes the special need for continuous access to health coverage for young Americans, and would significantly improve the health of children in this country by achieving universal health coverage for that population.

III. Key Considerations in the Obama Plan

In this section, we consider three aspects of Obama's health reform plan that will improve access to affordable, comprehensive health coverage and care for children.

THE OBAMA PLAN WILL ACHIEVE UNIVERSAL CHILDREN'S COVERAGE.

By making health insurance affordable and available, parents will easily be able to meet the Obama plan's requirement to enroll all children in coverage.

BACKGROUND

The current piecemeal U.S. coverage system leaves many families struggling to afford coverage and millions of children uninsured. ESI coverage among families is declining as its costs are increasing. For example, between 1999 and 2008, the employee cost of ESI family coverage increased by 117 percent.[11] Largely as a result of this, one million children became uninsured in 2005 and 2006.

As the nation heads towards an economic downturn, families may find it harder to retain their insurance, and states will be strained by increased demand for public coverage. For instance, with each one-percentage point increase in the unemployment rate, an estimated 600,000 children would be otherwise uninsured were it not for public programs.[12]

THE OBAMA PLAN: SUPPORTING COVERAGE FOR ALL CHILDREN

Under the Obama plan, all children will be required to have health insurance coverage, made possible through provisions to make coverage affordable and accessible, including:

- Expansions of public coverage programs will expand coverage for the lowest income children.
- Children up to age 25 will be able to remain covered under their parents' plans.
- Income-based subsidies will make coverage affordable for every family.
- Guaranteed issue will require insurance companies to sell plans to every family, regardless of pre-existing medical conditions.

OBAMA IMPACT: IMPROVING CHILDREN'S HEALTH AND STRENGTHENING THE HEALTH SYSTEM

By providing a mechanism to achieve universal coverage, children, families, and states will benefit in several ways. By extending coverage to more than 8 million currently uninsured children, overall children's health can be expected to improve under the Obama plan. Improvements in children's health have overall positive impacts on the community as well. Healthy children with insurance can better participate in school, sports and other activities, and will also make for healthier society in the future.

- **Universal coverage for children will create greater access to medical care.** Approximately 814,000 children won't have to go more than 2 years between doctor's visits.[i] Twelve percent of uninsured children in 2006 reported not having seen a doctor in more than two years, compared to just two percent of children with ESI or other private coverage and just 4 percent of children with public coverage.[13] Reaching universal coverage for children would erase this disparity.

[i] Twelve percent of uninsured children in 2006 (977,880 children) reported having waited more than 2 years for a doctor's visit. If the percent of uninsured children who have gone this long between doctor's visits is at the same level as children with ESI or private coverage (2 percent) 10 percent or 814,000 currently uninsured children will have shorter periods between doctor's visits.

- **Coverage will mean that more than 2.2 million children will have their health needs met.**[ii] Studies have shown that uninsured children are more likely than insured children to delay seeking medical, dental or other types of health care due to the cost.[14] Insuring every child will dramatically lower the number of children with unmet health needs due to delayed care.

  Meeting this pent-up demand for health care will increase the need for pediatric health care services, and subsequently for health care professionals and related support staff.

  Since the increased coverage is linked to an insurance requirement, the 8 million or so additional children in the health care system would have an affordable financing arrangement with which to pay for their care. As a result, there will be other economic benefits for the community, such as increased state revenues (largely through payroll taxes) and incentives for investments in health infrastructure. It will also help children obtain coverage more efficiently by helping to ensure they have a medical home and that care is provided through efficient settings (instead of relying on the emergency room for routine care.)

- **Coverage will improve the health status of America's children.** Under the Obama plan, more than 570,000 children will have improved health status.[iii] Most importantly, children's health will benefit by mandating coverage for all children. Compared to children who are uninsured, insured children are more likely to report being in excellent or very good health and have fewer unmet health needs, fewer activity restrictions, higher quality of life ratings, and reduced mortality rates.[15]

- **Universal children's coverage will improve children's ability to learn.** Health insurance has been shown to improve children's school attendance and academic performance. Children need to be healthy to learn, and health insurance helps children get and stay healthy. Understandably, without adequate access to health care, children may be disadvantaged when they enter school.[16] However, once children are school-aged, health insurance can help children better attend school and live up to their potential.

  A study in Missouri's Medicaid program found that children with insurance experienced a 38 percent increase in their ability to remain in school,[17] and studies from California found a 70 percent increase in school performance (measured by paying attention in class and keeping up with school activities).[18]

  The link between health coverage and school performance is especially important for children with chronic conditions. For instance, among children with asthma enrolled in Florida's SCHIP program, those missing school days due to their condition decreased from 70 percent to 44 percent after enrollment, suggesting that having coverage helped them manage their asthma so they could better attend school.[19]

  By improving school attendance, children will be better educated and the public education system will be strengthened. Elementary and secondary education spending consumes one-third of state General Fund expenditures and almost one-eighth of all federal payments to states.[20] Investing in children's health so they are able to attend school is compatible with the strong government investment in children's education. From this perspective, children's health policy has important implications for education policy, as it is complementary to another major public priority – helping children learn.

PUBLIC PROGRAMS WILL BE STRENGTHENED AND EXPANDED TO COVER MORE CHILDREN.

Medicaid and SCHIP, public health coverage programs, have played an integral role in expanding access to coverage and health care for America's most vulnerable children – the disabled and low-income. Expanding children's coverage through

[ii] A Families USA report showed that 34.7 percent of uninsured children in 2005 had unmet health needs compared to just 7.2 percent of insured children. In 2008, that would mean that 2.83 million of the 8.15 million currently uninsured children have unmet health needs. Insuring those children, and reducing the percent with unmet health needs to just 7.2 percent would mean 2.24 million children would no longer have unmet health needs.

[iii] Increasing the percent of currently uninsured children in excellent or very good health status from the current level of 76 percent to match the current level of insured children (83 percent) results in improved health status for 570,430 children.

public programs has strong public support, as demonstrated by a poll taken during the 2007 debate over SCHIP showing 9 out of 10 voters supported reauthorizing the program.[21] The Obama plan will strengthen and expand these important programs for children.

BACKGROUND

As outlined in more complete detail in the companion paper, public programs play a critical role in providing coverage to 26.4 percent of all children, and 50.4 percent of low-income children through age 18.[22] With eligibility expansions over the past decade, Medicaid and SCHIP have reduced the number of low-income uninsured children by one-third,[23] and have helped mitigate the effects of declining employer-sponsored coverage for children.[24] Public programs have improved the health of the country's poorest and most vulnerable children, and have done so in a less costly and more efficient way than private insurance.[25]

THE OBAMA PLAN: ON PUBLIC PROGRAMS

Sen. Obama has long been a strong supporter of public health insurance programs. In 2003, as a state Senator in Illinois, he was the primary Senate sponsor of a bipartisan bill that expanded the income eligibility level for children in KidCare, Illinois' SCHIP program, from 185 percent to 200 percent of the federal poverty level (FPL).[26] In part due to this legislation, more than 94,500 children gained health coverage through KidCare/SCHIP in Illinois between 2003 and 2007.[27]

Last year in Congress, Sen. Obama continued his vocal support of children's health coverage, advocating for a strong reauthorization of SCHIP. In May 2007, with Senate Majority Whip Durbin (D-IL), Sen. Obama co-sponsored the Healthy Kids Act of 2007 that would strengthen SCHIP by:[28]

- Providing funding for two years of SCHIP allotments, while also providing bonus payments for states that streamline enrollment procedures;
- Requiring coverage of early and periodic screening, diagnostic, and treatment (EPSDT) services, including dental services under SCHIP; and
- Requiring the Secretary of Health and Human Services to encourage programs focused on enrollment outreach grants, the development of quality and performance measures for pediatric care providers, establishing medical home demonstration projects, and promoting disease prevention programs for minority children.

Sen. Obama also was supportive of later SCHIP reauthorization legislation, the Children's Health Insurance Program Reauthorization Act (CHIPRA). In response to President Bush's vetoes of those bills, Sen. Obama said, "It is outrageous that the president has decided to use his fourth veto to deny health care to four million American children... today's veto of this bipartisan plan shows a callousness of priorities that is offensive to the ideals we hold as Americans."[29]

The Obama plan would expand Medicaid and SCHIP for children. Sen. Obama has clearly stated, "I will also expand Medicaid and the State Children's Health Insurance Program immediately to cover all children who don't have private coverage. And I have specified how I will pay for it — by cutting out waste in the system and redirecting the Bush tax cuts for the wealthiest Americans to help middle-class families afford health insurance."[30]

OBAMA IMPACT: SUPPORT FOR FAMILIES AND STATES

Public programs will be strengthened for the 27.6 million children currently enrolled, and they will also play a central role in the Obama plan to cover the uninsured. By strengthening and expanding Medicaid and SCHIP, the Obama plan will have positive effects for states and families.

- **States will have strong and stable federal support for public programs.** The Obama plan provides states with additional, and stable, federal support for children's coverage programs. This will allow states to utilize best practices and build on the existing momentum to reach more uninsured children. Almost seven out of ten uninsured children are eligible for Medicaid or SCHIP, but not enrolled.[31] To reach these children, states could

explore options to improve outreach, simplify enrollment, or increase retention. States could also raise eligibility levels to reach even more uninsured children who are currently not eligible for public programs. Stable federal funding for children's health care will come as a relief to states. Since October 2007, the SCHIP program has been funded on a temporary basis, and will continue as such through March 2009.

- **Public program expansions will reduce premium costs for insured Americans.** Lack of regular access to care means that the uninsured have unmet health needs. When they do seek care, they are often unable to pay the entire cost. Providers have no choice but to shift the remaining uncompensated costs onto those who can pay: the government and insured patients. Analysts have called this a "hidden tax" and estimate that families with health insurance paid more than $900 in higher premiums in 2005 to subsidize uncompensated care.[32] Reducing uninsured children by expanding enrollment in public programs will reduce uncompensated care and the cost-shifting onto families with insurance.

- **Low-income children will have access to a comprehensive benefit package.** Medicaid provides children with a comprehensive benefit package known as Early and Periodic Screening, Diagnosis and Treatment (EPSDT). The EPSDT benefit package provides coverage for all the services necessary for a child's healthy development, and emphasizes preventive care and appropriate management of chronic diseases.[33] This model will not only build a healthy citizenry, but could reduce future costs due to undetected or untreated health issues. These effects will increase as more children enroll in public coverage with a comprehensive EPSDT benefit package. SCHIP provides comprehensive benefits as well.

STRONGER CONSUMER PROTECTIONS WILL IMPROVE THE PRIVATE HEALTH INSURANCE MARKET.

The Obama plan will strengthen the private market for health insurance by giving families new coverage options and better consumer protections.

BACKGROUND

Nearly 60 percent of children have a dependent policy through a family member's ESI. Surveys have found that families generally like their private coverage, which is tends to be comprehensive coverage subsidized by employers.

Our current system lacks a safety net for the increasing numbers of middle income families who are not eligible for ESI or public insurance programs. These families are left to purchase coverage in the individual market, where 89 percent are denied coverage or give up trying to find an affordable, adequate policy.[34]

The individual market is primarily regulated by the states and can operate with very few consumer protections. Just 18 states set any restriction on what insurance companies can charge for plans,[35] and even fewer -- just 4 -- require the guaranteed issue of insurance plans to every applicant regardless of health status.[36] This can mean that many families have trouble obtaining and affording coverage on the individual market.

THE OBAMA PLAN: STRENGTHENING PRIVATE COVERAGE

The Obama plan would make sure no family falls through the cracks and becomes uninsured by ensuring access to a number of comprehensive, affordable coverage options.

The National Health Exchange and a public plan option will level the playing field for families. For the first time, families who are not eligible for subsidized, comprehensive coverage through an employer will have other options: purchasing a privately or publically operated health insurance plan through the Exchange. According to the Obama plan: "The Exchange will require that all the plans offered are at least as generous as the new public plan and meet the same standards for quality and efficiency. Insurers would be required to justify an above-average premium increase to the Exchange." Some of those standards will include:

- **Guarantee issue will ensure the 19 million children with chronic medical conditions can get, and keep, health insurance.**

Twenty-six percent of children have a preexisting chronic medical condition that might keep their families from getting coverage in the individual market. The Obama plan will ensure that the children who need insurance the most will be able to access it.

- **Comprehensive benefits will ensure every child has access to the care they need.** In today's patchwork system, some children fall through the cracks and don't receive the basic care they need to ensure healthful development. For example, just 31 states require individual market health insurance policies to include well-child visits. Under the Obama plan, all insurance policies must meet a standard of coverage that will ensure children have a comprehensive benefit package no matter where their parents purchase insurance.[37] In fact, Sen. Obama has said, "All of these plans will cover essential medical services including prevention, maternity, disease management and mental health care."[38] Children with chronic medical conditions will have access to disease management and care coordination.[39]

- **Subsidies will ensure families can afford quality coverage.** As the costs of health insurance continue to skyrocket, they are increasingly out of reach for many families. The Obama plan's sliding-scale subsidies will ensure families who make too much to be eligible for a public program will not be priced out of coverage.

- **Portability protections will ensure families have continuous coverage.** Families that buy coverage through the National Health Insurance Exchange or a new public health plan will be able to keep their coverage through employment and other life changes. This will help families maintain long-term relationships with primary care physicians and other providers.

OBAMA IMPACT: ENSURING ALL CHILDREN CAN GET COVERAGE

As a result of the changes to strengthen the private market and create new choices for families, the Obama plan creates a system where all families will be much better able than today to get meaningful coverage, even if they are not eligible for ESI or public programs.

IV. Options to Implement Universal Children's Coverage Under Obama

The Obama plan would build on America's existing health care system to fill in the cracks, and ensure that every child has health coverage and access to the care they need. Sen. Obama's vision for universal health reform is achievable.

At the heart of Sen. Obama's proposal to achieve universal coverage for children is the requirement that parents enroll their own children in coverage. Achieving universal coverage is obtainable as most parents are likely to want to cover their children once coverage becomes easily available and affordable. The challenge is creating a system that will finally enable parents to do this.

Outreach and education about coverage options are the first step to achieving universal coverage. The seven out of ten children who are eligible but not enrolled in a public program[41] must be given more support to overcome what can be an overly burdensome enrollment processes. Simplifying public program applications will help parents navigate them. There must also be outreach to the parents of children who are not eligible for public programs to educate them about the subsidies and affordable options available through Sen. Obama's proposed National Health Exchange.

In addition, enrolling children in coverage should be made as automatic as possible. If children are identified as uninsured, they should be automatically enrolled in a no-cost or low-cost insurance plan while their parents learn about the options available and select the option that works best for their family. Once children are enrolled, there should be automatic renewal systems in place so that no child or family will lose coverage due to an unexpected life change, such as job loss.

Ultimately, the Obama plan will reach universal coverage of children by creating a culture of coverage.[41] America, as a society, has no history of universal coverage. Most people believe that it is something that will be given as a reward for having good and respectable employment. In today's society, hard working Americans lose coverage

through no fault of their own. By changing the culture, the government ensures that health insurance is easily available and affordable so that families can take responsibility for being insured. As such, the strategy for ensuring compliance with the parental requirement could be minimal. Most parents want their children to have health insurance, and will obtain that coverage once they understand the new options for doing so under the Obama plan. Just as most parents send their children off to school each morning, in a culture of coverage, most parents will choose to enroll their children in health coverage.

V. Conclusion

Sen. Obama has proposed a health reform plan that will achieve universal coverage for children by both building on the foundation of our current health insurance system and filling in the cracks that today allow some families to become uninsured. More than 8 million children will become insured, improving access and meeting critical health care needs.

The Obama plan does so by reinforcing our current system of employer-sponsored insurance, and expanding access to the public programs that have been instrumental in reducing the ranks of uninsured children over the past 10 years. In addition, the Obama plan will strengthen consumer protections throughout the private health insurance market so families will be able to access and afford quality health insurance. Once implemented, the Obama plan will move America towards creating a culture of coverage, where the families won't have to worry whether their children can access the health care they need to grow up strong and successful.

About the Author

Harbage Consulting, LLC is an independent firm specializing in national and California health policy. This paper was coauthored by Peter Harbage, president of Harbage Consulting, and Hilary Haycock, a director at Harbage Consulting.

Peter Harbage has more than a decade of experience working to improve health policy at the federal, state and local level. In addition to consulting, Mr. Harbage has served as a fellow and senior fellow at several nonprofit think tanks, including the New America Foundation, and he teaches a course in health policy for the University of Southern California's School of Policy, Planning and Development.

Hilary Haycock has held senior communications positions dealing extensively with health care issues. She is currently a graduate student studying health policy at Georgetown University and holds an undergraduate degree with high honors from the University of California at Berkeley.

Michael Odeh provided significant research for this project. An independent consultant with Harbage Consulting, Odeh was formerly with the Georgetown University's Center for Children and Families. He holds a Master of Public Policy degree from Georgetown University's Public Policy Institute.

About First Focus

First Focus is a bipartisan advocacy organization that is committed to making children and families a priority in federal policy and budget decisions. First Focus brings both traditional and non-traditional leaders together to advocate for federal policies that will improve the lives of America's children. Child health, education, family economics, child welfare, and child safety are the core issue areas in which First Focus promotes bipartisan policy solutions.

While not the only organization working to improve public policies that impact kids, First Focus approaches advocacy in a unique way, bridging the partisan divide to make children a primary focus in federal policymaking. First Focus engages a new generation of academic experts to examine issues affecting children from multiple points of view in an effort to create innovative policy proposals. First Focus convenes cross-sector leaders in key states to influence federal policy and budget debates, and to advocate for federal policies that will ensure a brighter future for the next generation of America's leaders.

Contact First Focus:

1110 Vermont Avenue, Suite 900, NW
Washington, D.C. 20005
202. 657.0670 • www.firstfocus.net

NOTES:

[1] See the "Plan for a Healthy America" at http://www.barackobama.com/issues/healthcare/.

[2] Kaiser Family Foundation, "Kaiser Health Tracking Poll: Election 2008," Issue 9, (August 2008), available at http://www.kff.org/kaiser-polls/upload/7808.pdf.

[3] U.S. Census Bureau, "Income, Poverty, and Health Insurance Coverage in the United States: 2007," (August 2008), available at http://www.census.gov/prod/2008pubs/p60-235.pdf.

[4] See the "Plan for a Health America" at http://www.barackobama.com/issues/healthcare/.

[5] For example, see C. Hoffman & J. Paradise, "Health Insurance and Access to Health Care in the United States," *Annals of the New York Academy of Sciences* 1136: 149-160 (2008); and Kaiser Family Foundation, "The Uninsured: A Primer," (October 2007), available at http://www.kff.org/uninsured/7451.cfm.

[6] For example, see C. Hoffman & J. Paradise, "Health Insurance and Access to Health Care in the United States," *Annals of the New York Academy of Sciences* 1136: 149-160 (2008); and Kaiser Family Foundation, "The Uninsured: A Primer," (October 2007), available at http://www.kff.org/uninsured/7451.cfm.

[7] Kaiser Commission on Medicaid and the Uninsured, "The Uninsured: A Primer," Kaiser Family Foundation, October 2007.

[8] Sara Rosenbaum, "CMS' Medicaid Regulations: Implications for Children with Special Health Care Needs," First Focus, March 2008, available at http://firstfocus.net/Download/CMS.pdf.

[9] Sara Rosenbaum, "CMS' Medicaid Regulations: Implications for Children with Special Health Care Needs," First Focus, March 2008, available at http://firstfocus.net/Download/CMS.pdf.

[10] Kaiser Family Foundation/HRET, "Survey of Employer Health Benefits, 2008," (September 2008), available at http://ehbs.kff.org/; and E. Gould, "The Erosion of Employment-based Insurance," Economic Policy Institute (November 2007), available at http://www.epi.org/content.cfm/bp203.

[11] J. Holahan & A. Cook, "What Happened to the Insurance Coverage of Children and Adults in 2006?" Kaiser Commission on Medicaid and the Uninsured (September 2007), available at http://www.kff.org/uninsured/upload/7694.pdf.

[12] S. Dorn, *et al.*, "Medicaid, SCHIP and Economic Downturn: Policy Challenges and Policy Response," Kaiser Commission on Medicaid and the Uninsured (April 2008), available at http://www.kff.org/medicaid/7770.cfm.

[13] Kaiser Family Foundation, "The Uninsured: A Primer," (October 2007), available at http://www.kff.org/uninsured/upload/7451-03.pdf.

[14] For example, see Families USA, "No Shelter From the Storm: America's Uninsured Children," Campaign for Children's Health Care, available at http://www.familiesusa.org/issues/childrens-health/campaign/publications/no-shelter-from-the-storm.html.

[15] For example, see Kaiser Family Foundation, "Health Insurance Coverage in America, 2006," (June 2008, available at http://facts.kff.org/chartbook.aspx?cb=50&CFID=34771676&CFTOKEN=23655502; Kaiser Family Foundation, "The Uninsured: A Primer," (October 2007), available at http://www.kff.org/uninsured/upload/7451-03.pdf; M. Seid, *et al.*, "The Impact of Realized Access to Care on Health-Related Quality of Life: A Two-Year Prospective Cohort Study of Children in the California State Children's Health Insurance Program," *The Journal of Pediatrics*, 149: 354-361 (September 2006), available at http://www.rand.org/health/feature/2006/060907_seid.html; S. Shulman & M. Rosenbach, "SCHIP at 10: A Synthesis of the Evidence on Access to Care in SCHIP," Mathematica Policy Research, Inc., (January 31, 2007), available at http://www.mathematica-mpr.com/publications/pdfs/SCHIPaccess.pdf; and J. Hadley, "Sicker and Poorer: The Consequences of Being Uninsured," Kaiser Commission on Medicaid and the Uninsured (May 2002), available at http://www.kff.org/uninsured/20020510-index.cfm.

[16] L. Karoly, *et al.*, "Children at Risk: Consequences for School Readiness and Beyond," RAND (2005), available at http://www.rand.org/pubs/research_briefs/2005/RAND_RB9144.pdf.

[17] Behavioral Health Concepts, Inc., "Evaluation of the Medicaid Section 1115 Waiver: Report of Findings," Missouri Department of Social Services (November 9, 2002), available at http://www.dss.mo.gov/mhd/mc/pdf/eval1115_00-01.pdf.

[18] These findings are based on an analysis of SCHIP (Healthy Families) enrollees who scored in the lowest quartile of a quality of life measure (the PedsQL); Managed Risk Medical Insurance Board, "Health Status Assessment Project – First Year Results," *Healthy Families Data Insights Report No. 10* (November 2002), available at http://www.mrmib.ca.gov/MRMIB/HFP/PedsQLYr2CHHS.pdf; and Managed Risk Medical Insurance Board, "The Healthy Families Program Health Status Assessment (PedsQLTM) Final Report," (Revised September 2004), available at http://www.mrmib.ca.gov/MRMIB/HFP/PedsQL3.pdf.

[19] C. Bono & E. Shenkman, "A Comparison of Health Status and Functioning Among New and Established Enrollees, With and Without Asthma Who are Enrolled in the Florida Healthy Kids Program," Institute for Child Health Policy (October 2001), available at http://www.healthykids.org/documents/evaluation/institute/2001/accesstocar102001.pdf.

[20] National Association of Budget Officers, "State Expenditure Report: Fiscal Year 2006," (Fall 2007), available at http://www.nasbo.org/.

[21] Robert Wood Johnson Foundation, "Opinion Poll: Nine in 10 Voters Want SCHIP Reauthorized," August 23, 2007. Available at http://www.rwjf.org/newsroom/newsreleasesdetail.jsp?productid=21931.

[22] Urban Institute analysis of the March 2006 and 2007 Annual Social and Economic Supplement to the Current Population Survey for the Kaiser Commission on Medicaid and the Uninsured. Updated March 5, 2008, available at http://ccf.georgetown.edu/index/data-healthcoverage#us; and Figure 6 of L. Ku, M. Lin, & M. Broaddus, "Improving Children's Health: A Chartbook about the Roles of Medicaid and SCHIP," Center on Budget and Policy Priorities (2007), available at http://www.cbpp.org/schip-chartbook.htm.

[23] L. Dubay, J. Guyer, C. Mann, & M. Odeh, "Medicaid at the Ten-Year Anniversary of SCHIP: Looking Back and Moving Forward," *Health Affairs*, 26: 370-381 (2007), available at http://content.healthaffairs.org/cgi/content/abstract/26/2/370.

[24] S. Zuckerman & A. Cook, "The Role of Medicaid and SCHIP as an Insurance Safety Net," The Urban Institute (August 2006), available at http://www.urban.org/UploadedPDF/900986_safetynet.pdf.

[25] See L. Ku, M. Lin, & M. Broaddus, "Improving Children's Health: A Chartbook about the Roles of Medicaid and SCHIP," Center on Budget and Policy Priorities (2007), available at http://www.cbpp.org/schip-chartbook.htm. Also see J. Hadley and J. Holahan, "Is Health Care Spending Higher Under Medicaid or Private Insurance?" *Inquiry*, 40: 323-342 (2003).

[26] In the 2003 Illinois Senate, the bill co-sponsored by Senator Barack Obama to expand KidCare was SB 130, and the House version was sponsored by Republican Representative Sandra Pihos; see Office of the Governor, Rod Blagojevich, "Governor signs legislation expanding KidCare and FamilyCare: Health Care Coverage for 20,000 More Children and 300,000 More Working Parents," Press Release (July 1, 2003), available at http://www.illinois.gov/PressReleases/ShowPressRelease.cfm?SubjectID=1&RecNum=2177.

[27] V. Smith, *et al.*, "SCHIP Enrollment in June 2007: An Update on Current Enrollment and SCHIP Policy Directions," Kaiser Commission on Medicaid and the Uninsured (January 2008), available at http://www.kff.org/medicaid/7642.cfm.

[28] 110th U.S. Congress, S. 1364: Healthy Kids Act of 2007.

[29] See "Barack responds to Bush's' children's health care veto" (October 3, 2007) at http://my.barackobama.com/page/community/post_group/ObamaHQ/CRz4.

[30] B. Obama, "Modern Health Care for All Americans," *New England Journal of Medicine*, (September 24, 2008), available at http://content.nejm.org/cgi/content/full/NEJMp0807677.

[31] See J. Holahan, A. Cook, & L. Dubay, "Characteristics of the Uninsured: Who is Eligible for Public Coverage and Who Needs Help Affording Coverage?," Kaiser Commission on Medicaid and the Uninsured (February 2007), available at http://www.kff.org/uninsured/7613.cfm; and S. Dorn, "Eligible but Not Enrolled: How SCHIP Reauthorization Can Help," Urban Institute (September 2007), available at http://www.urban.org/publications/411549.html.

[32] Families USA, "Paying a Premium: The Added Cost of Care for the Uninsured," June 2005, available at http://www.familiesusa.org/assets/pdfs/Paying_a_Premium_rev_July_13731e.pdf.

[33] S. Rosenbaum, et al., "National Security and U.S. Child Health Policy: The Origins and Continuing Role of Medicaid and EPSDT," George Washington University, Department of Health Policy, and The Robert Wood Johnson Foundation (April 2005), available at http://www.gwumc.edu/sphhs/departments/healthpolicy/chsrp/downloads/mil_prep042605.pdf.

[34] Sara Collins, et al, "Squeezed: Why Rising Exposure to Health Care Costs Threatens the Health and Financial Well-Being of American Families," The Commonwealth Fund, September 2006.

[35] The 18 states are: Idaho, Iowa, Kentucky, Louisiana, Maine, Massachusetts, Minnesota, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Dakota, Oregon, South Dakota, Utah, and Washington. Data as of December 2007 from researchers at the Georgetown University Health Policy Institute, available as "Individual Market Rate Restrictions (Not Applicable to HIPAA Eligible Individuals), 2007," at http://www.statehealthfacts.org/comparetable.jsp?cat=7&ind=353.

[36] The 14 states are: California, Idaho, Maine, Massachusetts, Michigan, New Jersey, New York, Ohio, Oregon, Rhode Island, Utah, Vermont, Washington, West Virginia. Data as of December 2007 from researchers at the Georgetown University Health Policy Institute, available as "Individual Market Guaranteed Issue (Not Applicable to HIPAA Eligible Individuals), 2007," at http://www.statehealthfacts.org/comparetable.jsp?ind=354&cat=7.

[37] The Obama health plan describes that "affordable, high quality coverage" will satisfy the child insurance requirement; see http://www.barackobama.com/issues/healthcare/.

[38] "Remarks of Senator Obama: Health Care," in Newport News, Virginia (October 4, 2008), available at http://www.barackobama.com/2008/10/04/remarks_of_senator_barack_obam_129.php.

[39] Peter Harbage and Karen Davenport, "Containing Health Care Costs," Center for American Progress, July 2008. http://wonkroom.thinkprogress.org/wp-content/uploads/2008/07/cost_containment1.pdf

[40] Holahan, A. Cook, & L. Dubay, "Characteristics of the Uninsured: Who Is Eligible for Public Coverage and Who Needs Help Affording Coverage?," Kaiser Commission on Medicaid and the Uninsured (February 2007), available at http://www.kff.org/uninsured/upload/7613.pdf.

[41] Peter Harbage and Len Nichols, "Coverage Without Gaps," New America Foundation, September 2007.