Talking Points in Support of 0-3 Continuous Coverage under Medicaid

Key Messages

- Pediatricians across Ohio know firsthand that consistent access to Medicaid coverage for kids leads to better outcomes for patients, families, and communities.

- We must do everything we can to prevent interruptions in coverage; even short gaps without care pose long-term health risks to children and can present devastating financial consequences to families of medically vulnerable kids.

- Inconsistent access to Medicaid coverage is not a new issue for Ohio families – but sweeping disenrollments following the end of pandemic-era protections mean an unprecedented number of families are needlessly losing care.

- Since the end of the public health emergency was declared, nearly half of all Medicaid disenrollments in Ohio have been for procedural reasons, such as families not receiving paperwork or being unable to return completed forms in time.

- As a pediatrician, it is devastating to look a parent in the eye and tell them their child no longer has health coverage because they did not receive or return a form.

- Ohio has the opportunity now to put families first and invest in our future by ensuring our children have uninterrupted health coverage for the crucial ages of 0 to 3 years old.

Gaps in Coverage Hurt Children

- The Ohio AAP, representing roughly 2,900 pediatricians across our great state, supports a strong Medicaid program.

- As pediatricians, we know the critical importance of children having health insurance. Medicaid coverage is associated with all kinds of good outcomes for children, including less severe illness, fewer hospitalizations, fewer emergency department visits and deaths, more preventive care utilization, and more immunizations.[1] Medicaid coverage for kids is also associated with a number of other great outcomes later in life, including higher high school graduation rates, higher college enrollment and graduation rates, higher wages and therefore greater contributions back to their communities.[2] Simply put, Medicaid does wonders for Ohio children and the return on investment is invaluable.

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[1] https://www.ncbi.nlm.nih.gov/pmc/articles/PMC4194697/#:~:text=Because%20of%20Medicaid%20coverage%2C%20fewer,had%20they%20not%20been%20insured

[2] https://www.commonwealthfund.org/publications/issue-briefs/2020/dec/short-term-cuts-medicaid-long-term-harm

- However, what is also vital to children's health and wellbeing is that they have health insurance *without gaps in coverage*. Children who experience gaps in coverage are more likely to have **delayed medical care, unmet medical needs, and unfilled prescriptions**.

    - Even short periods of coverage loss can impact access to care. One study found that individuals who lack coverage for even a few (1-5) months have worse access to care than those who are covered for an entire year. Moving on and off coverage can also mean moving to a different health plan once coverage is regained, which can have different provider networks, different coverage rules, and different drug formularies – all disrupting access to or continuity of care.[3]

    - Another study found that unstable Medicaid coverage leads to increased emergency department use, increased hospitalizations, and decreased use of prescription medicine.[4]

- Stable coverage is also critical to ensuring the health and wellbeing of our youngest children and keeping them connected to their medical home. The American Academy of Pediatrics recommends that children see their pediatrician at birth, 3-5 days after birth, at 1, 2, 3, 4, 6, 9, 12, 15, 18, 24, and 30 months, and every year after that until adulthood. Even short gaps in coverage can result in missing these important visits, which are vital for screening for basic health needs such as hearing and vision, as well as chronic conditions like asthma and diabetes, and social, emotional, or developmental delays. It is equally important to prevent coverage lapses when a child requires ongoing care, like heart medication, or mental health treatment.

- Gaps in coverage also mean **risking significant financial hardship** for families. If a child loses coverage and needs substantial medical care, this can expose the entire family to risk of significant medical debt, which can have all kinds of downstream effects on a family's economic stability.

"Churning" On and Off Coverage Was an Issue Even Before the Medicaid Unwinding

- The Medicaid Unwinding demonstrated the significant negative effect that moving on and off coverage – a process known as "churn" – can have. Many of the disenrollments occurring during the Unwinding have been for "procedural" reasons – those caused not because a child is actually ineligible but because the family did not receive or could not return needed paperwork on time.

    - In Ohio, 70% of all individual (adult and child) disenrollments were because of these procedural reasons.[5] This means that these Ohio residents did not lose coverage

[3] https://aspe.hhs.gov/sites/default/files/private/pdf/265366/medicaid-churning-ib.pdf
[4] https://aspe.hhs.gov/sites/default/files/migrated_legacy_files//199881/medicaid-churning-ib.pdf
[5] https://www.kff.org/medicaid/issue-brief/medicaid-enrollment-and-unwinding-tracker/

because they are ineligible, but because they weren't able to reenroll. No child should lose coverage because their family didn't receive or return a piece of paper.

- Children churning on and off coverage was an issue even before the pandemic and related federal Medicaid coverage protections. In 2018, 11.2% of children nationally were disenrolled from Medicaid and then reenrolled within the same year. Children were among the groups who experienced the highest rates of coverage churn.[6]

Temporary Income Fluctuations are More Common at Lower Incomes – This Affects Medicaid Eligibility

- It is important to note the **role that fluctuations in income** for families at low incomes play in losing eligibility for Medicaid, and then quickly gaining it back. One study found that low and moderate-income households experienced an average of 2.5 months each year in which income fell by more than 25 percent, and 2.6 months in which income increased by 25 percent.[7]

- Relatedly, family earnings depend on the ability to obtain hours at work. Three-quarters of early-career hourly workers experience fluctuations in their work hours, varying by an average of more than eight hours per week. And 70 to 80 percent of parents with young children who work in hourly jobs have hours that fluctuate substantially.[8]

- These fluctuations also disproportionately affect people of color and those with less education. A 2014-2015 study showed that Black households and Hispanic households experienced greater income volatility than white households. Similarly, households with a high school diploma or less experienced greater income volatility than did households with a college education. [9]

- These income changes can make children lose their Medicaid eligibility for short periods of time, only to become eligible again soon – and forcing the family to then go through the process of reenrolling in coverage.

There Are Costs to the State to Disenroll and Reenroll Children in Coverage

- There are also **significant administrative costs** associated with disenrolling and reenrolling individuals in Medicaid coverage. A 2015 estimate of *one individual* losing coverage and then reenrolling in coverage had associated administrative costs of $400-$600.[10] By keeping children insured, we can eliminate those administrative costs associated with moving people off and back on coverage.

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[6] https://www.kff.org/medicaid/issue-brief/medicaid-enrollment-churn-and-implications-for-continuous-coverage-policies/
[7] https://www.usfinancialdiaries.org/paper-1/
[8] https://www.clasp.org/sites/default/files/public/resources-and-publications/publication-1/2015.09.16-Scheduling-Volatility-and-Benefits-FINAL.pdf
[9] https://aspe.hhs.gov/sites/default/files/migrated_legacy_files//199881/medicaid-churning-ib.pdf
[10] https://www.ncbi.nlm.nih.gov/pmc/articles/PMC4664196/

0-3 Continuous Coverage Will Help to Eliminate Children's Gaps in Coverage

- The American Academy of Pediatrics has recently released a new Medicaid and CHIP Policy Statement, calling for long term, foundational reforms to the Medicaid and CHIP programs. Included is a call for universal eligibility for all children in the United States up to age 26 years through a single program that combines Medicaid and CHIP, with automatic enrollment at birth.

- Recognizing that this goal will not be attained tomorrow, the **AAP also recommends the interim step of required continuous eligibility of all individuals from birth to age 4 years, and a minimum period of 2-year continuous eligibility without renewal requirement for individuals ages 6 years to up to age 26 years.**

- This AAP recommendation is good medicine for children and aligns with the Ohio proposal to cover children from birth to age 3 in Medicaid. Ohio has the opportunity now to seize this opportunity to prevent children from churning on and off of much needed coverage. Continuous coverage to age 3 will mean that children in Ohio continue to receive the positive effects of Medicaid, without losing it because of paperwork concerns or because families made a little bit more in a given month. It will give Ohio families the security of knowing that their children are covered all the way to kindergarten, without disruption.

- Moreover, it will move Ohio into the vanguard of protecting children's eligibility and enrollment—nine other states (WA, OR, NM, MN, HI, CO, PA, NY, NC) have already received approval by the federal government to provide continuous coverage to children, and several more states, including Ohio, are currently developing proposals to similarly provide multi-year continuous coverage to kids.[11] Giving formal support to the continued adoption of these policies, on December 18, 2023 CMS issued an informational bulletin on ensuring children stay connected to Medicaid/CHIP coverage that explicitly recommends that states consider providing multiyear continuous eligibility through their 1115 waiver authority.[12] Ohio can join in leading this growing movement of states that are seeking to ensure children can obtain and retain much needed Medicaid coverage all the way to age 3, without disruption.

- As pediatricians, we see children every day that receive the care they need because of the services provided by Ohio Medicaid. Providing continuous coverage to children to age 3 will mean that children enrolled in Medicaid will be able to see the doctor when they are well or sick – this means better health and other long-term outcomes for Ohio children, reduced financial strain for those children's families, and better health for our state.

[11] https://ccf.georgetown.edu/2023/12/21/0-6-continuous-coverage-proposed-in-pennsylvania-approved-in-new-mexico/

[12] Ensuring Eligible Children Maintain Medicaid CHIP Coverage