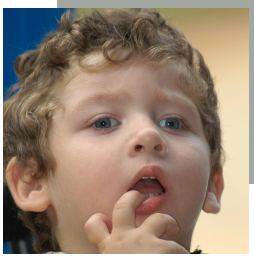
LOW-INCOME CHILDREN WITH SPECIAL HEALTH CARE NEEDS AND THE AFFORDABLE CARE ACT



Children with special health care needs (CSHCN) are more likely to be consistently insured than children generally.[1] However, some subgroups of CSHCN are particularly vulnerable to uninsurance and gaps in health coverage. Being uninsured or having gaps in coverage often preclude access to care and put CSHCN at increased risk for adverse health outcomes. CSHCN living in households with limited income are more likely than other CSHCN to experience uninsurance,[2] often because of a lack of access to affordable, employer-sponsored coverage.[3]

About 14% of CSHCN living at less than 200% of the federal poverty level (FPL) had one or more periods without insurance during the past year, compared to 8.5% of CSHCN between 200% and 399% FPL, and 2.3% of CSHCN at or above 400% FPL.[2] Additionally, low-income CSHCN who are uninsured have poorer access to health care services than low-income CSHCN who have insurance. Uninsured low-income CSHCN are less likely to have a usual source of care and are more likely to have unmet needs for routine medical and dental care than their insured counterparts.[4] Unmet health care needs can be detrimental to any child; however, for CSHCN, who require more health-care services than their typically developing peers, barriers to needed health services - such as a lack of health insurance - can have long-term health consequences.

Low-income children with special health care needs and the Affordable Care Act

Several provisions of the Affordable Care Act (ACA) may help reduce income-based health insurance inequities among CSHCN:

Mandatory expansion of children's Medicaid

The mandatory expansion of children's Medicaid is one of the most beneficial provisions of the ACA for CSHCN, ages 6 to 19, with household incomes less than 138% FPL. Prior to January 1, 2014, the minimum federal Medicaid income eligibility level for children in this age range was 100% FPL. Children aged 6 to 19, without access to other health insurance in states that used the federal minimum to determine Medicaid eligibility were often covered by the state's Children's Health Insurance Program (CHIP). Research shows that 17 - 23% of children covered by CHIP have special health care needs. While CHIP provides excellent access to primary care, families reported they had difficulty accessing therapies and mental health services.[12] Medicaid, with its federally mandated Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) benefit, provides a more robust set of services.[8] Many low-income CSHCN have transitioned from separate CHIP programs to Medicaid and can now receive the EPSDT benefit.[6]

Optional Medicaid expansion for adults

The optional Medicaid expansion for non-pregnant, non-disabled adults will likely have an impact on low-income CSHCN who are eligible for, but not enrolled in, Medicaid. There is a demonstrated link between parents' coverage and children's enrollment.[9, 10, 11] Pre-ACA, all states were required to cover parents of dependent children in their Medicaid programs, but income eligibility varied from state to state and was typically less than 100% FPL.[5] Children are more likely to be enrolled in Medicaid when their parents are also enrolled.[9, 10, 11] The Medicaid expansion may increase insurance coverage among low-income CSHCN; however, inequities will still exist in some states, as the adult Medicaid expansion is optional.

Importance of Navigators and In-Person Assisters

Only about half of parents with limited income believe their CSHCN are eligible for public coverage, but more than 90% of these parents said they would enroll their children if they were eligible.[3] The ACA includes funding for navigator entities – often community-based organizations – that provide education, outreach and enrollment assistance. Navigators provide culturally competent, accessible information to help individuals and families understand

eligibility for Medicaid and CHIP and options for Marketplace health insurance coverage. Navigators can help enroll low-income CSHCN who were already eligible for Medicaid, but remained uninsured because of lack of knowledge or misinformation about eligibility.[7] While all states have consumer assistance programs, in-person assistance is only available in states with partnership Marketplaces and at the state's option in state-based Marketplaces. Families raising CSHCN who have limited English proficiency may benefit the most from In-Person Assisters (IPAs), which will not be available at all in states with federally facilitated Marketplaces.

Several provisions of the Affordable Care Act (ACA) may help reduce income-based health insurance inequities among CSHCN:

ACA Provision	Impact on Low-Income CSHCN	Gaps
Medicaid Expansion The ACA expands children's Medicaid income eligibility to 138% FPL for all children, birth to age 19. This is mandatory. **Note:** The adult Medicaid expansion to 138% FPL is optional for states.	Low-income parents of CSHCN will gain Medicaid coverage in states that choose to expand.[5] CSHCN, ages 6 to 19, with household income between 100% FPL and 138% FPL, in states with separate CHIP programs that previously limited Medicaid income eligibility for 6- to 19-year-olds to less than 100% FPL are now eligible for Medicaid and the EPSDT benefit.[6]	Low-income parents of CSHCN will not benefit from the expansion in states that do not implement this provision.
Navigators All Marketplaces are required to provide outreach and enrollment assistance through Navigator programs.	Eligibility and enrollment assistance will help clarify misconceptions about eligibility for both Medicaid and subsidized Marketplace coverage for CSHCN with limited household income.[7] Assistance may also streamline and simplify enrollment for parents of low-income CSHCN, resulting in higher enrollment rates.[7]	All states will have navigator programs. In-person assistance will vary depending on the state's type of Marketplace.[7]
Marketplace Subsidies Families who do not have the option of affordable, adequate employer-sponsored insurance (ESI) can receive federal subsidies to purchase Marketplace (also called "exchange") coverage if household income is between 100% and 400% FPL.	Families raising CSHCN whose household income is too high for children's Medicaid but is less than 400% FPL can receive federal subsidies to make the cost of purchasing individual or family coverage more affordable.	Low-income CSHCN whose immigration status is undocumented are barred from Medicaid and from purchasing Marketplace coverage, even at full price. Some CSHCN may fall into the Family Glitch.* [13]

* The Family Glitch occurs when a parent has access to affordable, adequate ESI. This means the plan covers at least 60% of health care costs and the employee's share of the premium for **individual** coverage is less than 9.5% of household income. If the cost of family coverage, which is often more expensive, exceeds 9.5%, the other family members can purchase health insurance through the Marketplace, but they will not be eligible for subsidies. If the total cost of health insurance premiums exceeds 8% of household income, the family is exempt from the individual mandate and is not subject to a tax penalty, but any CSHCN will be uninsured.[13]

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This fact sheet can be found on the Web at http://hdwg.org/catalyst/publications/factsheet-low-income

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