

# Medicaid/CHIP Participation Among Children and Parents

## Timely Analysis of Immediate Health Policy Issues

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### In Summary

- The number of uninsured children who were eligible for Medicaid or the Children's Health Insurance Program (CHIP) but not enrolled fell from 4.9 million in 2008 to 4.4 million in 2010, with participation rates reaching nearly 86 percent nationally in 2010.
- Participation rates were lower for parents, both nationally and in every state, though states that had relatively higher/lower participation rates among children were more likely to also have higher/lower rates among parents.
- Improvements to enrollment procedures and other changes to Medicaid/CHIP systems under the 2009 Children's Health Insurance Program Reauthorization Act (CHIPRA) may have contributed to increased take-up of Medicaid/CHIP among children, but additional enrollment and renewal efforts may be needed, particularly among parents, to achieve high levels of Medicaid enrollment under the Affordable Care Act (ACA).

### Background

Despite the economic downturn, most states have maintained or expanded Medicaid and CHIP for children, by expanding eligibility to higher income and immigrant children, undertaking enrollment and retention simplifications, and implementing new policy options under CHIPRA. Income eligibility for children is now relatively high: the median state now covers children up to 250 percent of the Federal Poverty Level (FPL), much higher than for parents.

### Changes in Eligibility and Participation Among Children

Between 2008 and 2010, the number of children eligible for Medicaid/CHIP based on family income increased by over 4.5 million. This increase was due to a combination of increased eligibility resulting from the economic downturn and the expansion of Medicaid/CHIP programs in states.

Participation rates were lower for adolescents, children not living with their parents, and children with no English-speaking parents. There were also racial/ethnic variations, with the highest rate found among black children (90.5%). Regional differences were also evident, with the lowest participation rate in the West (83.2%) and the highest in the Northeast (90.5%).

### Medicaid/CHIP Participation Rates by State

In 2010, 14 states (AR, CT, DE, DC, HI, IL, LA, ME, MA, MI, NY, TN, VT and WV) had Medicaid/CHIP participation rates of 90 percent or higher. In contrast, six states (CO, ID, MT, NV, TX and UT) had participation rates below 80 percent. Several states saw increases close to or over 10 percentage points. No state had a statistically significant decline in their Medicaid/CHIP participation rate for children between 2008 and 2010.

### Uninsurance Among Children

The number of uninsured children who were eligible for Medicaid/CHIP fell from 4.9 million in 2008 to 4.4 million in 2010. Of the 4.4 million Medicaid/CHIP eligible but uninsured children, approximately 1.8 million have an uninsured parent who is currently eligible for Medicaid or could become eligible for expanded Medicaid coverage under the ACA in 2014. Many of the remaining eligible but uninsured children have uninsured parents who could qualify for exchange subsidies in 2014 under the ACA. This indicates that a substantial share of currently eligible but uninsured children have uninsured parents who could also enroll in coverage, either under current rules or starting in 2014 with the expanded coverage options available under the ACA. Increased enrollment among parents could lead to increased enrollment among children, and vice versa.

In 2010, California, Texas and Florida accounted for almost 40 percent of the 4.4 million eligible but uninsured. Altogether, 61 percent of the nation's eligible but uninsured children live in one of 10 large states (AZ, CA, FL, GA, IL, IN, NY, NC, OH and TX). Declines in the number of eligible but uninsured children in California, Texas and Florida accounted for almost half of the total decline nationwide.

### Medicaid Participation Rates Among Parents by State

Nationwide, the average Medicaid participation rate among parents for the 2009-2010 period was 65.6 percent, 20 percentage points lower than the comparable rate for children over the same period. Participation rates for parents and children tend to vary across states in the same direction, meaning high/low participation among children is generally associated with high/low participation among parents. Consistent with their lower participation rates, over one in four Medicaid eligible parents is uninsured compared to less than one in 10 Medicaid/CHIP eligible children. Eight states (FL, GA, ID, MT, NV, OK, TX and WY) have uninsured rates among Medicaid eligible parents of over 40 percent and another 17 states have rates above 30 percent.

### Conclusion

Medicaid and CHIP programs made noticeable progress reducing uninsurance among eligible children between 2008 and 2010. Improvements in Medicaid/CHIP participation occurred in states in all four regions, and for children of different ages, racial and ethnic backgrounds, incomes and family immigration status. Given the associated investments and related policy changes aimed at increasing take-up of coverage among eligible but uninsured children, it is likely that CHIPRA contributed to the improvements in Medicaid/CHIP participation. As a result, the number of eligible but uninsured children declined, reaching 4.4 million in 2010. In contrast, participation rates were lower for parents, suggesting that additional efforts will be needed, particularly among parents, to achieve high levels of Medicaid enrollment under the ACA.