

**Testimony of
George Hoover, Health Policy Director
Pennsylvania Partnerships for Children**

**House Human Services Committee
June 6, 2013**

Good afternoon, my name is George Hoover and I am the Health Policy Director at Pennsylvania Partnerships for Children (PPC), a statewide, independent, non-partisan child advocacy organization committed to improving the education, health and well-being of children in the commonwealth.

Prior to joining PPC in early 2011, I worked in human services for nearly 40 years in numerous capacities, including being responsible for Medicaid eligibility policy in the Department of Public Welfare (DPW) and serving as the Deputy Commissioner for the CHIP and adultBasic Programs in the Pennsylvania Insurance Department (PID). In short, I have dedicated much of my life to helping ensure Pennsylvanians get the health insurance coverage they need to access health care services.

I'd like to thank Chairmen DiGirolamo and Cruz, as well as your fellow committee members, for the opportunity to appear before you today to discuss Medicaid expansion in Pennsylvania – specifically, how such an expansion can benefit Pennsylvania's children.

As you know, Pennsylvania has a strong history of providing health care coverage to children – a history that was built through bipartisan efforts of the General Assembly and several governors from both parties over the years. Working together in this fashion, Pennsylvania started one of the nation's first Children's Health Insurance Programs (CHIP) in 1992. The enactment of Cover All Kids in 2006 expanded CHIP by providing coverage for all documented children in the commonwealth.

Despite this work to make Pennsylvania a state of “universal coverage” for kids, we still have about 148,000 children in the commonwealth who lack health insurance.¹ To put it in some perspective, 148,000 children is roughly the enrollment of the school districts of Allentown, Bethlehem, Chambersburg, Erie, Harrisburg, Hazelton, Lancaster, Pittsburgh, Reading, Scranton, Wilkes-Barre and York **combined**.

The reasons so many children lack health insurance could be as varied as the kids themselves, but the fact remains, **none of these 148,000 children has to be uninsured**. And while Medicaid expansion would provide coverage only to certain uninsured, low-income adults, providing such coverage to those adults can help enroll more children in health insurance coverage.

In addition to Pennsylvania having 148,000 uninsured children, the Georgetown Center for Children and Families estimates there are about 274,000 uninsured Pennsylvania parents – and about 131,000 of those uninsured parents would qualify for Medicaid if Pennsylvania were to expand coverage.ⁱⁱ

Why is this significant? Because low-income, uninsured parents are **three times more likely** to have uninsured children than those parents who have insurance.ⁱⁱⁱ

In fact, an extensive body of research shows that covering low-income parents increases health insurance enrollment among eligible children, thereby reducing the number of children who are uninsured. Studies also have found that covering parents makes it less likely that children will have disruptions in their own Medicaid coverage.^{iv}

Simply put, expanding Medicaid to cover more low-income adults – a group that includes many parents - likely will result in more Pennsylvania children enrolling in health insurance coverage.

Parental coverage doesn't just increase the likelihood that a child will be covered. It also appears to increase the likelihood that a child will get the preventive care and other health care services necessary to keep them healthy. Studies have found that insured children whose parents are insured are more likely to receive check-ups and other care, compared to insured children whose parents are uninsured.^v This means these children are more likely to get timely vaccinations, regular dental screenings and other medical services that can detect health-related issues early, which typically makes them not only easier to treat, but also less expensive to treat.

Conversely, a lack of insurance often means parents put off seeking help for children who may have physical or behavioral health care needs. This can lead to delayed diagnoses that leave children suffering in silence, especially when it comes to sometimes hard-to-detect behavioral health issues such as anxiety, autism or depression.

A recent report from the Centers for Disease Control and Prevention estimates 13 to 20 percent of U.S. children experience some sort of mental disorder in a given year, and the prevalence of such disorders is increasing.^{vi} The CDC says mental disorders in children cost the nation about \$247 billion a year, a tally that includes costs related to health care, special education, juvenile justice, and decreased productivity. For school age children, mental health issues that are undiagnosed or delayed in being diagnosed can result in a “ripple effect” of high absenteeism and poor academic performance. By expanding Medicaid coverage to more adults and, in turn, reaching more kids with insurance coverage, we not only can keep kids healthier, but we can help them succeed in school, too.

Another reason Medicaid expansion for adults is beneficial to kids: Parents' health can affect children's health and well-being. The Institute of Medicine has reported that a parents' poor physical or mental health can contribute to a stressful family environment that may impair the health and well-being of a child.^{vii} Moreover, uninsured parents who can't get care may be unable to work or end up with large medical bills even if they do get care. In either case, such financial consequences can have a big impact on families and children, even those children who have coverage.

Additionally, providing Medicaid coverage to women between pregnancies can improve birth outcomes.^{viii} Continuing parents' coverage between births to address obesity, hypertension, diabetes, asthma, smoking and other health issues can improve women's overall health and help address the causes of early births and infant and maternal mortality. Ongoing coverage and care for women can reduce neonatal intensive care and other health care expenses for low birth weight infants, often covered by Medicaid.

Medicaid coverage also provides economic security that benefits entire families. Medicaid beneficiaries are 40 percent less likely to ignore other bills, or borrow money, in order to pay medical expenses.^{ix} As a result, parents with Medicaid coverage are less likely to forgo paying other necessary household expenses that are important to their children's health and security. By expanding Medicaid to low-income parents, particularly mothers who are more likely to be single parents and face financial hardships, we can better ensure children are healthy and financially secure.

Questions have been raised as to whether DPW has enough time to implement Medicaid expansion by next January. Sufficient time does exist, and I compare this task to when CHIP expanded coverage through the Cover All Kids initiative nearly a decade ago. It involved taking an existing program - just as Medicaid is - and raising the income level so more individuals become eligible. That initiative was implemented within six months of the passage of Cover All Kids legislation. If the commonwealth were to approve a Medicaid expansion by June 30, it appears entirely feasible to implement the expansion by Jan. 1, 2014.

By expanding Medicaid, Pennsylvania has a unique opportunity to provide access to quality, affordable health care coverage to more low-income adults, which should help broaden coverage to more of the 148,000 children who now lack insurance. Medicaid provides an excellent group of benefits for children - better than commercial insurance and better than CHIP. Provider networks for Medicaid also have improved as Medicaid-managed care is now available statewide.

All children, especially those living in low-income households, need and deserve access to quality health care coverage. Expanding Medicaid to low-income adults will help us achieve that goal.

Thank you for your time and I'd be happy to answer any questions.

ⁱ U. S. Census Bureau, Health Insurance Coverage Status, [2009-2011 American Community Survey 3-Year Estimates](#)

ⁱⁱ Heberlein, Martha et.al., [Medicaid Coverage for Parents Under the Affordable Care Act](#), Center for Children and Families, Georgetown Univ. Health Policy Institute, June 2012.

ⁱⁱⁱ [Kaiser Low-Income Coverage and Access Survey](#), June 2007

^{iv} Guendelman, Sylvia and Michelle Pearl, [Children's Ability To Access And Use Health Care](#), Health Affairs, **March 2004**, vol. 23, no. 2

^v Ku, Leighton and Matt Broaddus, [Coverage of Parents Helps Children, Too](#), Center on Budget and Policy Priorities, Oct. 20, 2006

^{vi} Centers for Disease Control and Prevention, [Mental Health Surveillance Among Children – United States, 2005-2011](#), May 17, 2013

^{vii} Institute of Medicine of the National Academies, [Health Insurance Is a Family Matter](#), 2002

^{viii} Lu, Michael C. et.al., [Preconception Care Between Pregnancies: The Content of Internatal Care](#), Maternal and Child Health Journal, September 2006, Vol. 10, Issue 1

^{ix} Baicker, Katherine and Amy Finkelstein, [The Effects of Medicaid Coverage - Learning from the Oregon Experiment](#), New England Journal of Medicine, August 2011