

KIDS FIRST!

Providing Health Care for New Mexico's Children

Presentation to the Legislative Health and Human Services Committee

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Thank YOU!

\$20 million for children's Medicaid and SCHIP =
17,000 more children with health insurance!



Health insurance: What good is it?

- A child with an undiagnosed, untreated health problem is:
 - ✓ less likely to succeed in school
 - ✓ less likely to graduate
 - ✓ more likely to earn a poverty-level wage
 - ✓ more likely to require social services
- 31 percent of all uninsured children did not see a doctor in 2007 versus 9 percent of insured children

Where are we now?

- ✓ New Mexico has the second highest rate of uninsured children in the nation
- ✓ Employer-based insurance is being scaled back
 - From 2000 to 2007 the percentage of children in the U.S. covered through employer-based insurance decreased from 66 percent to 59.5 percent
- ✓ Premiums paid by employees for family coverage increased by 10 percent from 2006-2007
 - From \$248/month to \$273/month

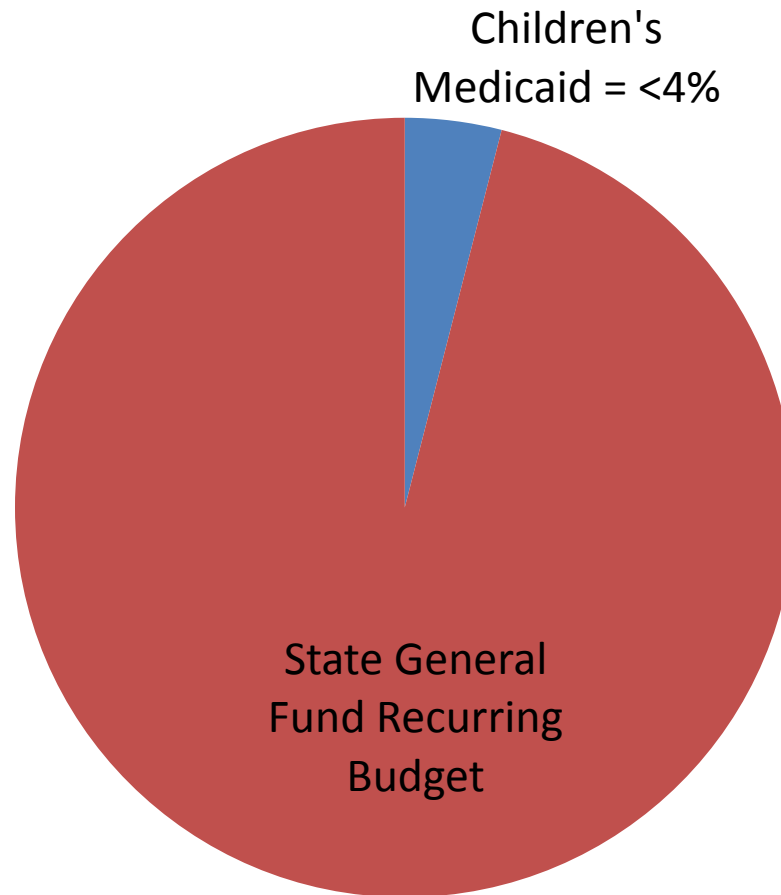
We are closing the gap!

Only 40,000 more uninsured children to cover*

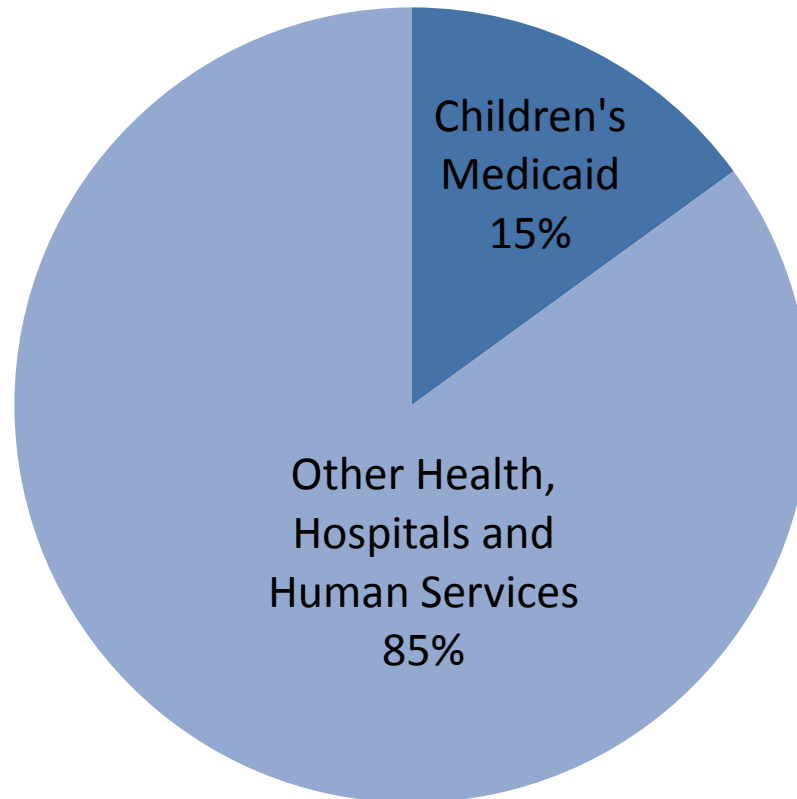


*Based on HSD estimates and the expected enrollment increase of 17,000 using the \$20 million special session appropriation.

How much of the budget do we spend on children's health insurance?



Children's Medicaid as a percent of Health, Hospitals and Human Services spending



How much more would it take?

- ✓ An additional \$40 million would:
 - Insure the estimated remaining 33,000 eligible children under Medicaid and SCHIP (\$33.7 million)
 - Insure almost 7,000 uninsured children up to age 18 under the Premium Assistance for Kids (PAK) program (\$4.6 million)
 - Provide outreach and enrollment efforts to ensure that all kids are covered (\$2 million)

- ✓ Cost to cover remaining uninsured kids up to 18 is less than 1 percent of the state general fund

The economic impact of Medicaid

- ✓ An additional \$33.7 million state general fund investment in Medicaid generates:
 - \$164 million more in new economic activity
 - More than 2,000 new jobs
 - Including \$75 million in new wages and benefits
- ✓ The federal matching dollars of \$78.6 million would help generate the increased economic activity

Our children's well-being: A wise investment

- ✓ Federal matching dollars
- ✓ Increased economic activity and good jobs, especially in rural areas
- ✓ Increased investment in health-care infrastructure
- ✓ Better outcomes for our children
- ✓ Prevention is the best cure!

A building block for health-care reform

- ✓ Covering kids first is the first step
- ✓ ALL models of health care reform studied by the Health Care Coverage for New Mexicans Committee, and health care reform implemented by other states, BEGIN with maximizing children's enrollment, particularly in Medicaid and SCHIP.



KIDS FIRST! recommendations

- ✓ An additional \$40 million (less than 1 percent of the state general fund):
 - \$38 million to insure another 40,000 children under Medicaid, SCHIP and PAK
 - \$2 million for outreach and enrollment
- ✓ Ensure that children cannot be denied coverage under the Premium Assistance for Kids Program (guaranteed issue)
- ✓ Require the state to ensure children have access to health care through outreach and education