CONGRESSIONAL HEALTH REFORM PROPOSALS:

How Do Children Fare?

Updated: November, 2009

FIRST FOCUS
MAKING CHILDREN & FAMILIES THE PRIORITY

	Senate HELP Committee Affordable Health Choices Act	Senate Finance Committee America's Healthy Future Act	House of Representatives Affordable Health Care For America Act
CHIP	▪ Children eligible for CHIP have the option of enrolling in CHIP or a qualified plan in the Gateway.	▪ Requires states to maintain current income eligibility levels for CHIP through 2019. ▪ CHIP-eligible children who cannot enroll in CHIP due to enrollment caps may get coverage through state exchanges. ▪ Beginning in 2014, states would receive a 23 percentage point increase in CHIP match rate (subject to a 100 percent cap). ▪ In 2016, the Secretary of HHS will submit a report to Congress comparing coverage in the exchanges and CHIP based on factors such as benefits, out-of-pocket costs, pediatric provider networks, quality of care measures. If coverage in the exchanges is found to be worse, the report shall describe necessary policy changes. No children shall be moved from CHIP to the exchanges until the Secretary certifies that coverage is comparable or better. (*adopted as an amendment during mark up*)	▪ Prohibits states from adopting CHIP eligibility standards that are more restrictive than those in effect on June 16, 2009. (This maintenance of effort ends on December 31, 2013). ▪ States with stand-alone CHIP programs must implement 12-motnh continuous eligibility for children below 200% of poverty. ▪ In 2011, the Secretary of HHS will submit a report to Congress comparing benefits packages and affordability credits in the exchange and the average CHIP plan. If exchange coverage is found to be worse, the report shall recommend improvements. ▪ In 2013, children currently enrolled in CHIP will be required to get coverage through the Exchange. (There is an exception for children with Medicaid expansion CHIP programs, who will transition to coverage under Medicaid.) ▪ CHIP is repealed in 2014.
Medicaid	▪ Allows eligibility for individuals with income levels up to 150% of poverty. ▪ Undocumented children are ineligible.	▪ Allows eligibility for individuals with income levels up to 133% of poverty. ▪ Undocumented children are ineligible.	▪ Allows eligibility for individuals with income levels up to 150% of poverty. ▪ Undocumented children are ineligible.

	Senate HELP Committee Affordable Health Choices Act	Senate Finance Committee America's Healthy Future Act	House of Representatives Affordable Health Care For America Act
		▪ Adults with incomes between 100-133% may choose between coverage in Medicaid or the exchanges. ▪ Increases federal matching rate for states that remove cost-sharing for preventive services. ▪ Covers tobacco cessation drugs for pregnant women. ▪ Creates new state option for health homes for enrollees with at least two chronic conditions.	▪ Children born in the U.S., who are not otherwise covered, are deemed to be non-traditional Medicaid-eligible individuals for up to 60 days while determination is made regarding appropriate insurance. ▪ Prohibits states from adopting eligibility standards, methodologies, or procedures that are more restrictive than those in effect on June 16, 2009. ▪ Equalizes Medicaid reimbursement rates for primary care doctors to 80% of Medicare rates in 2010, 90% in 2011, and 100% in 2012. ▪ Covers tobacco cessation drugs for enrollees, including pregnant women. ▪ Optional Medicaid coverage for family planning services to certain low-income women. ▪ Includes a Medicaid option for states to cover home visitation services by trained nurses to families with children under age 2 or first-time pregnant women. ▪ Continues required coverage of preventive services in Medicaid and eliminates cost-sharing for such services.

CONGRESSIONAL HEALTH REFORM PROPOSALS:

How Do Children Fare?

Updated: November, 2009

FIRST FOCUS
MAKING CHILDREN & FAMILIES THE PRIORITY

	Senate HELP Committee Affordable Health Choices Act	Senate Finance Committee America's Healthy Future Act	House of Representatives Affordable Health Care For America Act
			▪ Requires states to enter into memorandums of understanding with the Health Choices Commissioner to ensure enrollment of Medicaid-eligible individuals into coverage.
Benefits / Coverage	▪ Eliminates pre-existing conditions limitations and offers immediate assistance to those who have been denied coverage due to pre-existing conditions by creating a high-risk pool. ▪ Eliminates lifetime or annual limits on benefits, which is critical for children with special needs. ▪ "Essential health care services" include: mental health and substance abuse disorder services, preventive and wellness services, maternity and newborn care. Plans must adhere to the pediatric quality standards included in CHIP. Plans must cover well-child care according to Bright Futures with minimal cost-sharing. ▪ Plans must cover immunizations required by the Advisory Committee on Immunization Practices. ▪ Insurers required to cover preventive services with minimal cost-sharing.	▪ Eliminates pre-existing conditions limitations and offers immediate assistance to those who have been denied coverage due to pre-existing conditions by creating a high-risk pool. ▪ Eliminates lifetime or annual limits on benefits, which is critical for children with special needs. ▪ No cost-sharing for preventive services. ▪ Creates minimum coverage that provides preventive and primary care, maternity and newborn care, pediatric services (including dental and vision), mental health and substance abuse services. Plans must cover at least 65% of the actuarial value of covered services, and limits annual cost sharing to $5,950/individual and $11,900/family. ▪ Requires the Secretary to define and annually update the benefit package through a public process. This provision does not specify use of the Bright Futures	▪ Eliminates pre-existing conditions limitations. ▪ No cost-sharing for preventive items, including well-child and well-baby care. Limited cost-sharing for other services. ▪ Administrative simplifications in plan administration, such as standardized language and forms. ▪ Minimum covered services include: mental health and substance abuse disorder services, preventive services, and maternity benefits. Well-baby and well-child care, oral health, vision, and hearing services are covered for children under 21 years of age. ▪ Expands access to federally-recommended vaccines. ▪ Expands coverage for dependent children who are under age 27. ▪ Creates the Health Benefits Advisory Committee which recommends what services constitute an "essential benefits

	Senate HELP Committee Affordable Health Choices Act	Senate Finance Committee America's Healthy Future Act	House of Representatives Affordable Health Care For America Act
	▪ Expands coverage for dependent children up to age 26. ▪ The Secretary will establish the "essential health care benefits" eligible for credits in the Gateways.	guidelines, therefore the Committee could potentially limit which pediatric services are considered essential. ▪ Simplifies enrollment by adopting a single set of rules for eligibility verification.	package" for health plans in the Exchange. This provision does not specify use of the Bright Futures guidelines, therefore the Committee could potentially limit which pediatric services are considered essential.
Health Insurance Exchange	▪ Creates state-based *American Health Benefit Gateways* through which individuals and small businesses can purchase coverage. ▪ Tiers of cost-sharing and premium credits for individuals/families with incomes up to 400% of poverty. The credits will be determined by the Secretary, but individuals/families with incomes less than 150% of poverty pay no more than 1% of their annual income and those at 400% of poverty pay no more than 12.5% of their income. Credits not available to families with undocumented individuals. ▪ Credits available to employers with fewer than 50 full-time employees. Credit is equal to $1000 for each employee with single coverage and $2000 for each employee with family coverage, even though family coverage costs	▪ Creates state-based exchanges for individuals and small business exchanges for businesses with up to 100 employees (states may allow larger businesses to participate in the exchange in 2017). ▪ Prohibits undocumented immigrants from accessing coverage through the exchanges. ▪ Allows child-only insurance options in the exchanges. In addition, stand-alone dental plans would be permitted to offer pediatric dental benefits directly through the exchanges. ▪ Creates four tiers of benefit categories that include minimum benefits: bronze, silver, gold and platinum plans. Premium credits for individuals/families up to 400% of poverty in 2013. The credits are tied to the second lowest-cost silver plan in the area and are provided on a sliding scale	▪ Creates a *Health Insurance Exchange* through which individuals and employers can purchase coverage. ▪ Premium and cost-sharing credits for individuals/families with incomes up to 400% of poverty. The amount of available credit, which is specified in the bill, is based on modified adjusted gross income and divided into tiers such that credit diminishes as family income approaches 400% of poverty. (i.e. individuals/families between 133-150% of poverty pay between 1.5-3% of their income and those between 350-400% of poverty pay between 11-12% of their income.) Credits not available to families with undocumented individuals (includes verification procedures). ▪ Plans in the Exchange must offer at least the "essential benefits package."

	Senate HELP Committee Affordable Health Choices Act	Senate Finance Committee America's Healthy Future Act	House of Representatives Affordable Health Care For America Act
	approximately 2.7 times individual coverage. ▪ Those who try to enroll in a Gateway will be assisted with enrolling in private plans, Medicaid and CHIP. The Gateways will consult with advocates for hard-to-reach populations. ▪ Navigators must assist consumers with coverage decisions. ▪ The Gateways will not circumvent state benefit mandates for children or state regulatory oversight of health plans. -New community health option to be offered through each Gateway. Community health plan must comply with the same requirements as other qualified health plans in the Gateways. ▪ Creates a *Medical Advisory Council* which determines what constitutes "essential services" for plans in a Gateway. It is unclear whether the Council would include a pediatric representative, but the Council must make recommendations specifically on essential pediatric services, including oral and vision care. The Council could possibly limit coverage of those services.	basis from 2% of income for those at 100% of poverty to 12% of income for those between 300-400%. Individuals/families below 200% of poverty may also access a cost-sharing subsidy (those between 100-150% of poverty can get a subsidy to bring the actuarial value of their plan to 90% and those between 150-200% can get a subsidy to bring the actuarial value to 80%). Credits not available to families with undocumented individuals. ▪ The "young invincible plan" offers catastrophic coverage for those age 25 or younger. ▪ Creates the Consumer Operated and Oriented Plan (CO-OP) to promote the formation of non-profit, member-run health insurance companies. ▪ Requires exchanges to have standardized format for presenting insurance options, a call center for customer service and a web portal to assist consumers. ▪ States are permitted to create a Basic Health Plan for uninsured individuals between 133-200% of poverty.	▪ Outreach and education about the Exchange to vulnerable populations, such as children, in a culturally and linguistically appropriate manner. ▪ Plans in the Exchange must provide information to consumers through a telephone hotline and website, and must provide culturally and linguistically-appropriate services. ▪ New public plan option to be offered through the Exchange. Public plan must meet the same requirements as private plans regarding benefits, provider networks, consumer protections, and cost-sharing. Public plan must offer basic, enhanced and premium plans, and may elect to offer premium plus plan.

CONGRESSIONAL HEALTH REFORM PROPOSALS:

How Do Children Fare?

Updated: November, 2009

FIRST FOCUS
MAKING CHILDREN & FAMILIES THE PRIORITY

	Senate HELP Committee Affordable Health Choices Act	Senate Finance Committee America's Healthy Future Act	House of Representatives Affordable Health Care For America Act
Prevention & Wellness	▪ Funding available for public education campaigns targeting underserved populations. ▪ Center for Health Outcomes Research and Evaluation will conduct research that reduces treatment disparities among minorities, children, and vulnerable populations. ▪ Supports research in pediatric emergency medicine. ▪ Reauthorizes the Emergency Medical Services for Children Program. ▪ Establishes criteria and funding for school-based community health clinics. ▪ Insurers required to cover preventive services with minimal cost-sharing. ▪ Establishes an Oral Healthcare Prevention Education Campaign, funding for oral health research and dental caries disease management, and creates a school-based sealant program. ▪ Funding for "Creating Healthier Communities" for the implementation of proven, community preventative health activities.	▪ Requires states, as a condition for receiving the Maternal and Child Health block grant, to conduct an assessment identifying at risk communities with few quality home visitation programs. Establishes a new state grant program for evidence-based, early childhood home visitation. ▪ Establishes a state grant program to support school-based health centers. ▪ Provides grants to small businesses to establish evidence-based workplace wellness programs. ▪ Enhanced collection and reporting of data on race, ethnicity, primary language, and disability.	▪ Provides grants to states to support voluntary, evidence-based home visitation programs for pregnant women and families with young children. ▪ Establishes the Task Force on Clinical Preventive Services, which includes one member with expertise in clinical primary care in child and adolescent health. ▪ Establishes Prevention and Wellness Trust. ▪ No cost-sharing for Medicare-covered preventive services, including well-child and well-baby care. ▪ Establishes a new grants program to support school-based health centers. ▪ Supports training of health professionals, including advanced education nurses, who will practice in underserved areas. ▪ Provides grants for state health departments to address core public health infrastructure needs. ▪ Establishes a medical home pilot program including urban, rural and underserved areas.

CONGRESSIONAL HEALTH REFORM PROPOSALS:

How Do Children Fare?

Updated: November, 2009

FIRST FOCUS
MAKING CHILDREN & FAMILIES THE PRIORITY

	Senate HELP Committee Affordable Health Choices Act	Senate Finance Committee America's Healthy Future Act	House of Representatives Affordable Health Care For America Act
	▪ Funding for dental health care providers demonstration projects. ▪ Funding for community health workers to promote positive health behaviors in medically-underserved communities. ▪ Creates grant program for entities to establish health teams to support a medical home.		▪ Establishes a new grant program to support the development and operation of primary care residency programs in community settings, such as community health centers.
Individual Mandates	▪ Individuals and their dependents must have "qualifying coverage" or make shared responsibility payments.	▪ Imposes a tax on individuals who do not have "qualifying health coverage." Some exemptions available.	▪ Imposes a tax on individuals who do not have "acceptable coverage." Some exemptions available.
Employers	▪ Employers must make a payment to HHS for any employee not offered qualifying coverage or for whom the employer does not pay at least 60% of the monthly premium. The payment is $750 for each full-time employee and $375 for each part-time employee. ▪ A small business exception is available for employers with 25 employees or less.	▪ Employers who do not offer coverage must pay a fee for each employee who receives a tax credit through the exchanges. The fee is the lesser of the average national tax credit for each full-time employee receiving the tax credit, or $400 times the total number of full-time employees in the firm. ▪ Employers with 50 or fewer employees are exempt.	▪ Employers required to offer coverage to employees and contribute at least 72.5% of the premium cost for individual coverage and 65% of the premium cost for family coverage or pay 8% of the payroll into the Exchange. ▪ Eliminates or reduces the fee for small businesses with annual payroll of less than $400,000.

For more information *about First Focus's Child Health Portfolio visit www.firstfocus.net, or contact Lisa Shapiro, Vice President of Child Health Policy (LisaS@firstfocus.net) or Catherine Hodgetts, Senior Director of Child Health Policy (CatherineH@firstfocus.net).*