

Executive Summary

Almost There:

Covering the Remaining Uninsured Children in Rhode Island

ACCESS TO AFFORDABLE HEALTH INSURANCE COVERAGE IS DECREASING. The rate of uninsured children in Rhode Island has grown from a low of 4.3% in 2002 to 6.9% in 2007. In 2007, there were almost 17,000 children without health coverage in Rhode Island. Rising costs to enroll in private and public health insurance programs are making it more difficult for children and parents to get coverage.

RHODE ISLAND HAS SHOWN LEADERSHIP IN PROVIDING HEALTH INSURANCE COVERAGE FOR CHILDREN. Businesses, families, taxpayers and policymakers have made great progress in doing their part to cover the majority of children with quality health insurance.

THERE ARE STILL CHILDREN WITHOUT HEALTH INSURANCE. There are children at every income level in Rhode Island who do not have health insurance. Uninsured children do not receive preventive care or treatment for common illnesses.

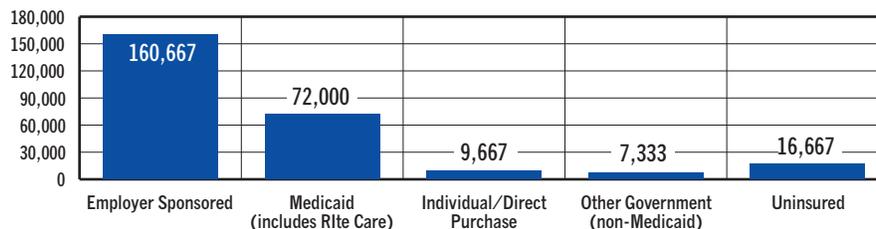
RHODE ISLAND CAN INSURE ALL CHILDREN. By making improvements in our current health insurance system, we can reverse the downward trend in children's access to health insurance and ensure children have the health care they need to remain healthy and ready to learn.

Rhode Island can be proud of its efforts toward reducing the rate of uninsured children over the past decade. Because of investments in children's health coverage, and despite recent slippage in the percentage of those insured, Rhode Island is almost there in covering all children. Our state has fewer uninsured children (6.9%) than the national average (11.0%).

However, there is still work to be done – the rate of uninsured children in Rhode Island has been growing since 2002. With minimal policy changes, Rhode Island can provide all children with the health coverage they need for healthy development.

How are children covered in Rhode Island?

CHILDREN'S HEALTH COVERAGE TYPES, RHODE ISLAND, 2007



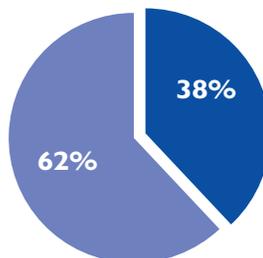
Source: U.S. Census Bureau, Current Population Survey, 2006-2008, three-year average, compiled by Rhode Island KIDS COUNT. Data are for children under 18 years of age.

Who are the 17,000 uninsured children in Rhode Island?

CHILDREN UNDER AGE 19 WITHOUT HEALTH INSURANCE, BY POVERTY LEVEL, RHODE ISLAND, 2007

62% Under 250% FPL (less than \$44,000/yr for family of 3)

They live in families who cannot afford Rlte Care premiums, face administrative barriers or are ineligible due to immigration status



38% Above 250% FPL (over \$44,000/yr for family of 3)

They live in families who are not offered or cannot afford ESI

Source: Population Reference Bureau analysis of U.S. Census Bureau, Current Population Survey, 2006-2008, three-year average.

Why are there still uninsured children in Rhode Island?

Barriers remain for all types of insurance coverage for children.

EMPLOYER SPONSORED INSURANCE (ESI)

- ◆ Not all businesses offer ESI to their employees.
- ◆ Some workers are not eligible for ESI offered by their employers because they work part-time or seasonal hours or are in waiting periods upon hire.
- ◆ High premiums and cost-sharing (co-pays and deductibles) can make ESI unaffordable.

RITE SHARE

- ◆ New income eligibility rules and increasing premiums keep many working families from enrolling.
- ◆ As the costs of ESI increase, fewer plans may meet the state's "cost-effectiveness test" to qualify.

RITE CARE

- ◆ Eligibility rules for parents were recently changed, resulting in 1,000 parents losing coverage.
- ◆ Increased premiums are making health insurance unaffordable for many children and families.
- ◆ Administrative barriers may prevent eligible families from enrolling.
- ◆ Eligibility for some immigrant children was recently changed in Rhode Island, causing 2,800 children to lose coverage. Children who are legal permanent residents of the U.S. have a waiting period of five years before they qualify for Rite Care. Children who are undocumented are no longer eligible for Rite Care.

Recommendations

BOLSTER AND STRENGTHEN EMPLOYER SPONSORED COVERAGE

- ◆ Assist small businesses in offering health insurance coverage as an employee benefit.
- ◆ Provide incentives to large employers to offer affordable health insurance coverage to all of their employees, including part-time and seasonal employees, with no waiting periods upon hire.
- ◆ Create a Rhode Island "Health Hub" that would pool employer contributions and allow families without an ESI offer to access health insurance.

STRENGTHEN AND EXPAND RITE SHARE

- ◆ Restore eligibility for parents from 175% FPL (\$30,800 for family of 3) to 185% FPL (\$32,560 for family of 3).
- ◆ Revise premiums to make coverage more affordable.
- ◆ Expand eligibility to help all families earning less than 300% FPL (\$52,800 for family of 3) afford ESI.

PRESERVE AND STRENGTHEN RITE CARE

- ◆ Maintain comprehensive benefits for children, parents and pregnant women.
- ◆ Restore eligibility for parents from 175% FPL (\$30,800 for family of 3) to 185% FPL (\$32,560 for family of 3).
- ◆ Revise premiums to make coverage more affordable.
- ◆ Eliminate administrative barriers to enrolling and dedicate funding to outreach and enrollment of eligible children.
- ◆ Expand eligibility for children from 250% FPL (\$44,000 for family of 3) to 300% FPL (\$52,800 for family of 3).
- ◆ Allow all children to enroll regardless of immigration status.
- ◆ Create a "buy-in" program for families with higher incomes to purchase Rite Care by paying a family premium.



NEW ENGLAND ALLIANCE FOR
Children's Health



COMMUNITY CATALYST



For more information, please see the full report *Almost There: Covering the Remaining Uninsured Children in Rhode Island* at www.communitycatalyst.org or www.rikidscount.org.