

Keep Kids Covered: Protect Insurance for Children



The Affordable Care Act (ACA), the Children's Health Insurance Program (CHIP), and Medicaid have served as essential health insurance programs for children, resulting in historic coverage rates of 95% of all children in the United States. The Arizona Chapter American Academy of Pediatrics (AzaAAP) supports efforts to do no harm to children as changes to these major programs are contemplated. Hundreds of thousands of Arizona's children and working adults benefit from Medicaid, KidsCare, the marketplace and the federal funding provided by the Affordable Care Act (ACA).

Impact of ACA Repeal on Arizona Children in the ACA Marketplace

- Arizona is particularly at risk if the Affordable Care Act is repealed without a real replacement plan.
- In 2016, 47,000 Arizona children received health insurance through the ACA Marketplace. *(US Department of Health and Human Services)*
- In Arizona, 23% of the enrollees in the ACA Marketplace are children, much higher than the 8% rate nationally. *(US Department of Health and Human Services)*
- Arizona has the lowest benchmark premiums of any state with a federally facilitated marketplace, and although these premiums have increased, 77% of Arizona ACA marketplace consumers will be eligible for a subsidy in 2017 so that most consumers will be able to find a plan that costs only \$75/month or less. *(US Department of Health and Human Services)*

Impact of ACA Repeal on Arizona Children Enrolled in Arizona's Children's Health Insurance Program (KidsCare)

- The ACA provides 100% funding for Arizona's CHIP program, Kids Care. If ACA is repealed, these matching funds would be lost and by AZ statute; this would trigger a freeze on enrollment and a possible termination of the Kids Care Program. Since the Kids Care program cap was lifted in September 2016, 13,000 children enrolled by January 2017 and 21,000 more are expected to enroll in the next few months. *(AHCCCS)*
- Kids Care helps the working poor who do not qualify for coverage under Medicaid obtain affordable health insurance for their children. Parents pay monthly premiums that are never over \$70/month.

Impact of ACA Repeal on Arizona Children Enrolled in Arizona's Medicaid Expansion

- Arizona is one of 31 states that took up the ACA's Medicaid expansion option for parents and childless adults.
- Over 425,000 low-income childless adults and parents have enrolled in Medicaid (AHCCCS) through the expansion, with over half employed in low-wage jobs that do not offer health insurance. *(Families USA)*
- Before the ACA, Arizona had one of lowest proportions of people covered through their employer at 41% compared to the national rate of 50%. *(Kaiser Family Foundation)*
- Because more Arizonans have coverage, hospitals in the state have experienced a 31% drop in uncompensated care - \$76 million savings – in just the first year. *(Georgetown Center for Children and Families)*
- If Arizona loses all ACA funding now funneled to patients, doctors, insurers and hospitals, it would create a nearly \$5 billion hole in the state's economy and cost more than 62,000 jobs in 2018. That loss of generally higher-wage health jobs would ripple through other industries, such as health suppliers and service sectors, resulting in 62,659 fewer jobs statewide. The absence of ACA funding could cost nearly 718,000 jobs and more than \$60 billion to the state's economy over the next decade. *(Seidman Research Institute at Arizona State University)*