

public citizens for children + youth

Statement to City Council on Resolution on the Impact of the Repeal of the Affordable Care Act

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Council Chairwoman Bass and members of the Public Health Committee, thank you for your vocal support to protect health care and health insurance through the Affordable Care Act, Medicaid and the Children's Health Insurance Program.

I am Colleen McCauley, Health Policy Director at Public Citizens for Children and Youth or PCCY, a child advocacy and policy organization working on behalf of kids in Philadelphia and across southeast Pennsylvania. At PCCY we talk with parents every day about their children's health needs because for the last 20 years we've operated a telephone Helpline referring children to health care and assisting thousands of parents apply for Medicaid and CHIP for their children.

Regarding proposed federal changes to health insurance, we must all continue to advocate that any plan to modify or replace the Affordable Care Act must preserve coverage for the 1.1 million Pennsylvanians who gained coverage through the Marketplace and Medicaid expansion.

Thanks to the ACA, Medicaid and CHIP, children's health insurance coverage has reached historic levels; 95% of Philadelphia children have coverage (as do 95% of children across the commonwealth).

One of the reasons more kids are covered is because their *parents* are now covered. One of the most effective strategies to reach eligible but uninsured children is for their parents to have coverage – which the ACA and Medicaid expansion made possible for many. Adult coverage benefits children by having healthier parents and also boosts children and families' economic security.

The ACA also imparts critical protections to children and adults alike that must be retained such as:

- Children with asthma, cancer or disabilities cannot be excluded from coverage due to their pre-existing condition.
- Insurance companies cannot impose annual or lifetime benefit limits – which would be especially hard on families with children who have special health care needs. Just think of a baby you know who was born premature and went home with a feeding or



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breathing tube, or a child you know of with spina bifida, sickle cell, down syndrome or a youth with depression or anxiety. These children need ongoing care.

- And the ACA permits young adults ages 19-26, an age group with the highest uninsured rates before the ACA, to stay on their parents' health plans.

Some proposals to repeal and replace the ACA include phasing out the expansion of Medicaid while others being floated would allow Medicaid expansion states to keep some or all of their extra funding but would restrict overall federal Medicaid expenditures by establishing a per-person cap or enacting a block grant.

Let's be clear. Per-person caps and block grants are cuts. Period.

Sixty one percent of total federal funds received by Pennsylvania is for Medicaid. Cutting federal Medicaid funds shifts financial risk to the state which will in turn lay the burden on municipalities like Philadelphia to fill the gaps.

And the gaps for children could be huge. More than 75% of Philadelphia children are enrolled in Medicaid – an astounding three in four Philly children rely on it – and not just for seeking health care from a doctor or dentist. Children with special health care needs and their schools rely on Medicaid to provide services in the schools. A block grant or cap puts at risk \$143 million statewide that is currently used to meet the needs of these students in preK and in public schools. How will Philly public schools endure more financial hardship – especially for some of its most vulnerable students?

And it's critical for you to know that in Philadelphia, *41% of all Medicaid recipients are children.*

Many people think Medicaid is solely for seniors and individuals with disabilities – yet a huge chunk are kids.

PCCY recently briefed council on our new report that showed that Philadelphia children fare worse now compared to the height of the recession on many child well-being measures – yet health insurance was one of the exceptions. During the economic downturn, Medicaid worked exactly as intended: more kids got coverage even as child poverty rose. Its unique structure protects children and families from losing coverage during economic downturns or when states face budget shortfalls.

Childhood is short. There are no do-overs. Kids who go without health insurance miss out on the chance to build a solid foundation of health for when they become adults. Any federal plan to modify or replace the Affordable Care Act must preserve coverage for the one million plus Pennsylvanians who gained coverage since its enactment – and do no harm to children by eroding children's Medicaid eligibility or benefits.