



Children's Defense Fund

Victory for Children and Families in New York's 2007-08 Health and Mental Hygiene Budget

On April 1, 2007, the Governor and the New York State Legislature finalized their historic budget to expand health insurance coverage for children. This expansion makes New York a leader in the nation in providing comprehensive, affordable and accessible coverage for nearly every uninsured child in the state. The final budget also includes significant simplifications that will make it easier for adults and children to keep their coverage.

The following is a summary of some of the final budget's key provisions for Medicaid, Child Health Plus and Family Health Plus.

Child Health Plus B Eligibility Expansion:

The final budget includes an eligibility expansion for children from 250 percent of the federal poverty level (FPL) to 400 percent of the FPL (families with an annual income up to \$66,600 for a family of three). This expansion will allow an estimated **72,000** more children in moderate-income families to enroll in coverage and is effective September 1, 2007.

The following proposed graduated sliding fee scale for premiums makes it more affordable for families to access coverage for their children than the existing buy-in program.

Proposed Premiums:

- 251 percent to 300 percent of the FPL: \$20 per month/per child; family max \$60 per family/per month
- 301 percent to 350 percent of the FPL: \$30 per month/per child; family max \$90 per family/per month
- 351 percent to 400 percent of the FPL: \$40 per month/per child; family max \$120 per family/per month

The expansion includes a waiting period for children with family incomes above 250 percent of the FPL which means that children who have access to employer sponsored coverage must be uninsured for six months before they can apply. Some select populations will be exempt from this waiting period.

Simplifying Recertification:

The final budget eliminates unnecessary documentation (residency and income) at renewal for children and adults enrolled in Child Health Plus A, Medicaid and Family Health Plus (this currently exists for Child Health Plus B). (Attestation of income and residency does not apply to SSI recipients and recipients of long-term services.)

This is a considerable simplification because currently an estimated 50 percent of beneficiaries lose their coverage because they are unable to successfully renew. This is largely blamed on the difficulty beneficiaries face with documenting their income. Simplifying the renewal process will make it easier for families to keep their coverage. It will also save administrative costs associated with re-enrollment of individuals who lost their coverage.

Continuous Eligibility for Adults Enrolled in Medicaid and Family Health Plus:

The final budget creates 12 months continuous eligibility for adults, regardless of whether their eligibility changed (unless they move out of New York). This currently exists for children and will provide continuity and security in their coverage. This will also help ensure the entire family has coverage.

Premium Assistance Program:

This new program will provide families premium assistance to purchase employer-sponsored coverage. Children living in families with incomes between 250 percent and 400 percent of the federal poverty level will be mandated to participate in the premium assistance program. Adults eligible for employer sponsored coverage and Family Health plus will be mandated to enroll in employer sponsored coverage. Premium assistance will help alleviate the prohibitive costs families face when purchasing insurance.

Additional Final Budget Provisions:

- Restriction of temporary enrollment only to children at recertification (when a child is temporarily enrolled in Child Health Plus B for 60 days while their eligibility for Child Health Plus A is determined). Temporary enrollment is a critical safety-net that provides immediate health coverage and was previously available at application and recertification. (Effective 9/1/07)
- In lieu of temporary enrollment, the final budget created presumptive eligibility—whereby a child applicant who appears eligible for Child Health Plus A may begin accessing health services upon an initial eligibility determination. The applicant then has approximately 60 days to gather supporting documents and complete the application process. This is a tremendous victory for children’s health insurance coverage as it will ensure children do not experience delays when accessing coverage. (Effective 12/1/07)