

Uninsured Children in Connecticut: 2004

September 2005

Recently, the US Census Bureau reported that an estimated 71,000 Connecticut children under 18 were uninsured for the entire year in 2004.¹ This number represents 8.5 percent of all Connecticut children. The uninsured rate was essentially unchanged from rates reported for Connecticut in recent years.

Uninsured children in low income families

In 2002-04, an estimated 36,000 Connecticut children under 19 who lived in families with income at or below 200% of the federal poverty level were uninsured.² *Virtually all these children are income-eligible for coverage in the HUSKY Program.*

Comparison with US rates

An estimated 8.3 million children under 18 were uninsured for the entire year in 2004. The proportion of US children who were uninsured (11.2%) was unchanged from the previous year.

Nationwide, children who were more likely to be uninsured were:

- *12 to 17 years old* (12.5%) compared with younger children;
- *Hispanic* (21.1%) compared with White non-Hispanic (7.6%) and Black non-Hispanic children (13.0%);
- *Poor* (18.9%) compared with all children.

Comparable data by age and race/ethnicity are not available for Connecticut children.

The uninsured rates for children in New England states, including Connecticut, were lower than the rate for all US children.³

Community-level estimates of uninsured children

Neither the Census Bureau nor other sources of Connecticut-specific data on the uninsured⁴ provide local estimates of the number or proportion of uninsured children.

For community-level estimates of the uninsured, local population features and socioeconomic conditions may contribute to local uninsured rates that are likely to be higher or lower than state-level estimates. For example, the uninsured rate is likely to be higher in a town with a relatively large population of Hispanic residents or in a town whose residents are mainly seasonal employees or employees of small businesses that do not typically offer health insurance.

Reducing the numbers of uninsured children and families in Connecticut

In 2005, Connecticut continued to reverse some of the HUSKY eligibility cuts enacted in 2003. Coverage was restored for parents and relative caregivers in families with income between 100 and 150 percent of the federal poverty level. State-funded coverage for legal immigrant children and their parents was restored. Evidence shows that children are more likely to be insured when their parents can also get coverage.

Efforts to reduce barriers to coverage were decidedly mixed. On the one hand, Connecticut Department of Social Services

(DSS) staffing was increased to better manage the administrative needs of the program. Presumptive eligibility, a program feature that allowed for same-day coverage of needed health care for children who would probably be eligible once paperwork is processed, was restored. Procedures for expediting eligibility determinations for pregnant women will be improved. However, HUSKY outreach and application assistance was *not* funded. Continuous eligibility for up to one year for children in families with fluctuating income was *not* restored. The ability to self-declare income when applying for coverage was *eliminated*.

Efforts to reduce barriers to health care took a wrong turn in 2005. Once again, the Connecticut General Assembly directed DSS to charge premiums to families with children in HUSKY B (income band 1) and to increase premiums and cost sharing for families with children in HUSKY B (income band 2).⁵ In 2004, this same cost-sharing requirement would have resulted in loss of coverage for over 3,500 of the 14,000 enrolled HUSKY B children.⁶ In addition, DSS will seek a federal waiver to allow for charging premiums and co-payments for parents with income between 100% and 150% of the federal poverty level. Over the past 2 decades, research has clearly shown that even nominal cost-sharing has a significant, negative effect on program participation (coverage) and health care for low income children and families.

Recommendations

- Support community-based outreach and application assistance with state dollars;
- Reduce administrative barriers to successful application and enrollment for children and parents;

- Eliminate cost-sharing that discourages enrollment and utilization of needed care.

¹ DeNavas-Walt C, Proctor, BD, Lee CH. Income, poverty, and health insurance coverage in the United States: 2004. Washington, DC: US Census Bureau, August 2005. www.census.gov The number of uninsured children in Connecticut could be as few as 46,000 and as many as 96,000 (5.6 - 11.4%). See Table HI05. Limitations: 1) small sample size in a small state like Connecticut produces relatively large confidence intervals around the estimate, especially for subpopulations; 2) respondents may be confused about time period (full 12 months of the calendar year v. part year v. point-in-time); 3) respondents may be confused about type of coverage (Medicaid v. Title XIX v. HUSKY A v. health plan name); 4) survey methods tend to produce an underestimate of Medicaid participation; 5) methods may change from year to year. CPS data do not provide any information about the number or percentage of persons who were underinsured or uninsured for part of the year, nor do CPS data give any longitudinal picture of health insurance coverage.

² Number of uninsured Connecticut children in low-income families could be as few as 22,000 and as many as 50,000. Note: In 2005, 200% of the federal poverty level is \$32,182 in annual income for family of 3 and \$38,702 for family of 4.

³ Uninsured children in New England states, 2004: Maine 6.5%, New Hampshire 7.8%, Vermont 4.8%, Massachusetts 6.5%, Rhode Island 7.4% and Connecticut 8.5%.

⁴ Other sources of data on the uninsured: 2004 survey by the Office for Health Care Access, annual Behavioral Risk Factor Surveillance System data, Connecticut data from 2001 National Survey of Children with Special Health Care Needs.

⁵ HUSKY B income band 1: \$29,767-\$37,812 for family of 3 in 2005. HUSKY B income band 2: \$37,813-\$48,270 for family of 3 in 2005.

⁶ According to DSS, between February and June 2004, families of approximately 3,700 children (cumulative) failed to pay monthly premiums and would have lost coverage but for the legislature and the Governor agreeing to roll back this premium increase.