Medicaid/CHIP Participation Rates Among Children: An Update

Timely Analysis of Immediate Health Policy Issues

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Summary

This brief assesses Medicaid/Children's Health Insurance Program (CHIP) participation rates and the number of uninsured children who are eligible for Medicaid or CHIP using the most recent data available from the American Community Survey. Since 2008, Medicaid/CHIP participation rates have risen by 5.5 percentage points among children, increasing to 87.2 percent in 2011; in that year, 19 states and the District of Columbia had participation rates at or above 90 percent and four states had rates below 80 percent. These findings suggest that the increased state and federal policy efforts aimed at reducing the number of eligible-but-uninsured children have been yielding results and that there is potential for more progress, by increasing participation in the lower-performing states. However, despite the potential for further progress, there is uncertainty about how children's coverage will change in the coming years.

Introduction

This brief assesses Medicaid/CHIP participation rates and the number of uninsured children who were eligible for Medicaid or CHIP using the most recent data available from the American Community Survey. A description of the data and methods used to derive these estimates can be found in our prior studies on this topic.[1] Since the Children's Health Insurance Program Reauthorization Act (CHIPRA) was passed in early 2009, many states have introduced policy changes aimed at improving enrollment and renewal processes in both their Medicaid and CHIP programs in an effort to increase participation among eligible children and reduce the number of uninsured children.[2] Prior research indicates that there is a high level of interest in enrolling uninsured children in Medicaid and CHIP but that some families lack knowledge about the programs and perceive barriers to the enrollment processes.[3]

Findings

In 2011, the average Medicaid/CHIP participation rate among children was 87.2 percent nationwide (Exhibit 1). Overall, nineteen states (Alabama, Arkansas, Connecticut, Delaware, Illinois, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, New Hampshire, New Mexico, New York, Rhode Island, Tennessee, Vermont, West Virginia, and Wisconsin) and the District of Columbia had participation rates of 90 percent or higher and just four states (Alaska, Montana, Nevada, and Utah) had rates below 80 percent (Exhibit 1).[4] In contrast, in 2008 four states and the District of Columbia had rates at or above 90 percent and fifteen states had rates below 80 percent (data not shown.)[5] While the number of states with participation rates at or above 90 percent has been on the increase, only three states west of the Mississippi—Arkansas, Louisiana, and New Mexico—had participation rates in that category in 2011 and just three others (Hawaii, Iowa, and Washington) had rates that were very close to 90 percent at 89.9, 88.4, and 88.9 percent, respectively (Exhibit 2). Similarly, all of the states with participation rates below 80 percent were west of the Mississippi.

Since 2008, Medicaid/CHIP participation rates have risen by 5.5 percentage points among children, increasing from 81.7 percent in 2008 to 87.2 percent in 2011 (Exhibit 3). Statistically significant increases in Medicaid/CHIP participation rates occurred in each of the last three years, with no evidence that the gains have plateaued.

Concomitant with the increases in Medicaid/CHIP participation rates were decreases in the estimated number of uninsured children who were eligible for Medicaid/CHIP coverage but not enrolled (Exhibit 4).[6] Overall, the number of eligible-but-uninsured children declined by 18 percent between 2008 and 2011. By 2011, the estimated number of eligible-but-uninsured children had fallen to 4.0 million. Given that about 37 percent of all eligible-but-uninsured children live in just one of three states—California, Florida, and Texas—further increases in Medicaid/CHIP participation rates in those states would have profound effects on the uninsurance rate among children nationwide (Exhibit 5). This is particularly true in Texas and Florida where the participation rates were 82.0 percent and 83.4 percent, respectively, in 2011, significantly lower than the national average and far below the rates achieved by the states with the highest participation rates.

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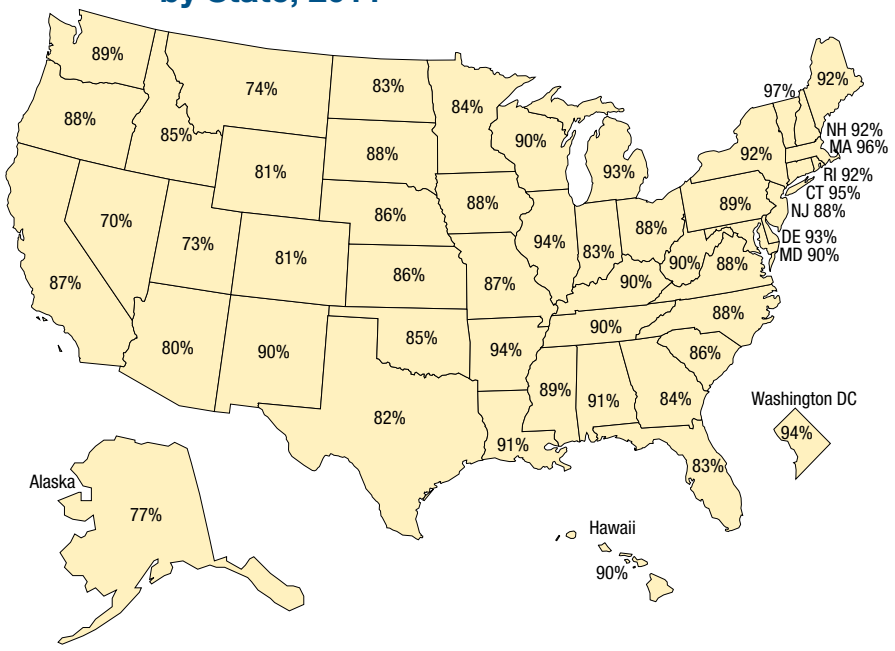
Exhibit 1: Children's Medicaid/CHIP Participation Rates by State, 2011

Nation	87.2%
Vermont	96.7%**
Massachusetts	96.1%**
Connecticut	94.7%**
District of Columbia	94.3%**
Illinois	93.9%**
Arkansas	93.6%**
Michigan	93.0%**
Delaware	92.8%**
Maine	92.3%**
Rhode Island	91.8%**
New York	91.7%**
New Hampshire	91.6%**
Louisiana	91.1%**
Alabama	91.1%**
Tennessee	90.4%**
West Virginia	90.3%**
Wisconsin	90.3%**
Maryland	90.3%**
Kentucky	90.2%**
New Mexico	90.0%**
Hawaii	89.9%
Mississippi	89.5%**
Washington	88.9%**
Pennsylvania	88.5%**
Iowa	88.4%
North Carolina	88.4%*
Virginia	88.1%
Ohio	87.8%
New Jersey	87.7%
Oregon	87.6%
South Dakota	87.6%
California	87.0%
Missouri	86.5%
Kansas	86.4%
South Carolina	86.0%
Nebraska	85.5%
Idaho	85.1%
Oklahoma	84.8%**
Minnesota	84.5%**
Georgia	84.0%**
Florida	83.4%**
North Dakota	83.3%
Indiana	83.0%**
Texas	82.0%**
Wyoming	81.5%
Colorado	81.3%**
Arizona	80.0%**
Alaska	77.0%**
Montana	73.7%**
Utah	73.1%**
Nevada	69.8%**

Source: Analysis of 2011 American Community Survey (ACS) data from the Integrated Public Use Microdata Series (IPUMS) from 2011.

Notes: See text for how eligibility, participation, and uninsurance are defined. **(*) indicates estimate is statistically different from national estimate at the 0.05 (0.1) level. Estimates reflect adjustments for possible misreporting of coverage on the ACS.

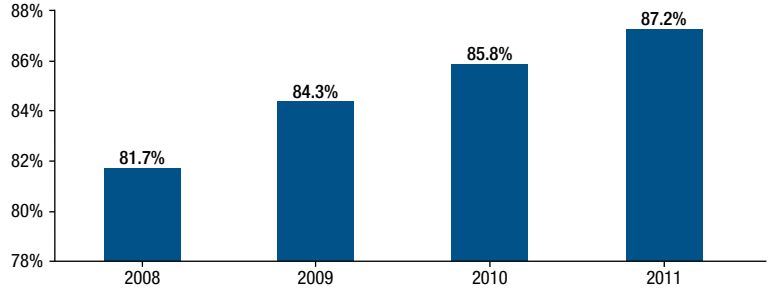
Exhibit 2: Children's Medicaid/CHIP Participation Rates by State, 2011



Source: Analysis of the Urban Institute Health Policy Center's ACS Medicaid/CHIP Eligibility Simulation Model based on data from the Integrated Pubic Use Microdata Series (IPUMS) from 2011.

Notes: Estimates reflect adjustments for possible misreporting of coverage on the ACS. Estimates differ from those in Exhibit 1 due to rounding.

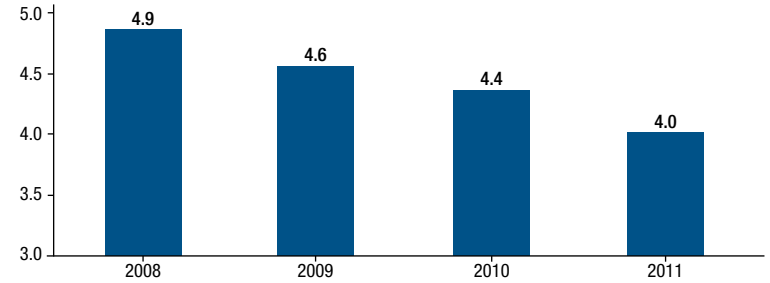
Exhibit 3: Children's Medicaid/CHIP Participation Rates For the Nation, 2008-2011



Source: Analysis of the Urban Institute Health Policy Center's ACS Medicaid/CHIP Eligibility Simulation Model based on data from the Integrated Public Use Microdata Series (IPUMS) from 2008 to 2011.

Notes: Estimates reflect adjustments for possible misreporting of coverage on the ACS.

Exhibit 4: Number of Eligible-But-Uninsured Children For the Nation, 2008-2011 (Numbers in Millions)



Source: Analysis of the Urban Institute Health Policy Center's ACS Medicaid/CHIP Eligibility Simulation Model based on data from the Integrated Public Use Microdata Series (IPUMS) from 2008 to 2011.

Notes: Estimates reflect adjustments for possible misreporting of coverage on the ACS.

Exhibit 5: Number of Eligible-But-Uninsured Children by State, 2011

	Estimated Total	Share	Cumulative Share
Texas	591,000	14.8%	14.8%
California	572,000	14.3%	29.1%
Florida	305,000	7.6%	36.7%
Georgia	182,000	4.6%	41.3%
New York	160,000	4.0%	45.3%
Arizona	151,000	3.8%	49.0%
Ohio	128,000	3.2%	52.3%
Pennsylvania	124,000	3.1%	55.4%
North Carolina	118,000	3.0%	58.3%
Indiana	111,000	2.8%	61.1%
Colorado	83,000	2.1%	63.1%
New Jersey	83,000	2.1%	65.2%
Illinois	81,000	2.0%	67.3%
Missouri	77,000	1.9%	69.2%
Nevada	73,000	1.8%	71.0%
Washington	72,000	1.8%	72.8%
South Carolina	70,000	1.8%	74.6%
Oklahoma	65,000	1.6%	76.2%
Tennessee	65,000	1.6%	77.8%
Utah	65,000	1.6%	79.4%
Virginia	63,000	1.6%	81.0%
Michigan	62,000	1.6%	82.6%
Minnesota	62,000	1.6%	84.1%
Louisiana	50,000	1.3%	85.4%
Alabama	48,000	1.2%	86.6%
Oregon	48,000	1.2%	87.8%
Wisconsin	48,000	1.2%	89.0%
Kentucky	45,000	1.1%	90.1%
Maryland	45,000	1.1%	91.2%
Mississippi	43,000	1.1%	92.3%
Kansas	35,000	0.9%	93.2%
Iowa	30,000	0.7%	93.9%
New Mexico	30,000	0.7%	94.7%
Montana	24,000	0.6%	95.3%
Arkansas	23,000	0.6%	95.8%
Nebraska	22,000	0.5%	96.4%
Idaho	21,000	0.5%	96.9%
Massachusetts	17,000	0.4%	97.3%
West Virginia	17,000	0.4%	97.8%
Alaska	14,000	0.4%	98.1%
Connecticut	14,000	0.3%	98.5%
Delaware	< 10,000	-	-
District of Columbia	< 10,000	-	-
Hawaii	< 10,000	-	-
Maine	< 10,000	-	-
New Hampshire	< 10,000	-	-
North Dakota	< 10,000	-	-
Rhode Island	< 10,000	-	-
South Dakota	< 10,000	-	-
Vermont	< 10,000	-	-
Wyoming	< 10,000	-	-
United States	4,001,000		

Source: Analysis of the Urban Institute's Health Policy Center's ACS Medicaid/CHIP Simulation Model based on data from the Integrated Public Use Microdata Series (IPUMS) from 2011.

Notes: Estimates reflect adjustments for possible misreporting of coverage on the ACS. For the ten smallest states, all of which have estimated totals that are below 10,000, we do not provide specific estimates given concerns about the lack of precision. All other estimates are rounded to the nearest thousand.

Conclusions

These findings suggest that the increased state and federal policy efforts aimed at reducing the number of eligible-but-uninsured children have been yielding results.[7] Since participation rates vary dramatically across states, further reductions in the number of uninsured children who are eligible for Medicaid/CHIP appear possible, by increasing participation in the lower-performing states. Despite the potential for further progress, there is uncertainty about how children's coverage will change in the coming years. On one hand, a number of policies that will be introduced under the Affordable Care Act (ACA), including the expansion of coverage to more parents, the new outreach and enrollment efforts, and the new subsidies for coverage, combined with the individual mandate should lead to increases in participation in Medicaid and CHIP and reductions in uninsurance among children. On the other hand, uncertainty over the future of CHIP, which was reauthorized through October 1, 2015, raises the possibility that the coverage gains that children have experienced will erode.[8]

Endnotes

[1] We define participation rates as the ratio of Medicaid/CHIP-eligible enrolled children to Medicaid/CHIP-eligible enrolled children plus Medicaid/CHIP-eligible uninsured children. We exclude from these counts children with both Medicaid/CHIP and employer/union-based, military, or private nongroup coverage and those with Medicaid/CHIP coverage who do not have a known eligibility pathway. For more information, see Kenney GM, Lynch V, Cook A and Phong S. "Who and Where Are the Children Yet to Enroll in Medicaid and the Children's Health Insurance Program?" Health Affairs, 29(10): 1920–29, 2010; Kenney GM, Lynch V, Haley J, Huntress M, Resnick D and Coyer C. "Gains for Children: Increased Participation in Medicaid and CHIP in 2009." Washington, DC: The Urban Institute, 2011; Kenney GM, Lynch V, Huntress M, Haley J and Anderson N. "Medicaid/CHIP Participation Among Children and Parents." Washington, DC: The Urban Institute, 2012.

[2] Heberlein M, Brooks T, Alker J, Artiga S and Stephens J. *Getting into Gear for 2014: Findings from a 50-State Survey of Eligibility, Enrollment, Renewal, and Cost-Sharing Policies in Medicaid and CHIP, 2012-2013*. Washington, DC: Kaiser Commission on Medicaid and the Uninsured, 2013, http://kaiserfamilyfoundation.files.wordpress.com/2013/05/8401.pdf

[3] See, for example: Kenney GM, Haley J and Tebay A. *Awareness and Perceptions of Medicaid and CHIP Among Low-Income Families with Uninsured Children: Findings from 2001*. Report submitted to Office of the Secretary, Assistant Secretary for Planning and Evaluation, U.S. Department of Health and Human Services, 2004.

[4] Estimated participation rates are sensitive to the treatment of reported reliance on The Indian Health Service (IHS) which is not typically counted as health insurance coverage because of limitations in the scope of available services and geographic reach of IHS facilities. For most states, analyses of 2009 ACS data indicate that the participation rates do not change in a meaningful way when IHS was considered a source of health insurance coverage; however, in six states—Alaska, Montana, New Mexico, North Dakota, Oklahoma, and South Dakota, the participation rate increased by more than two percentage points when IHS was reclassified as insurance coverage, but the difference in North Dakota and Montana was not statistically significant at the 0.10 level. The impact on the participation rate was particularly noticeable in Alaska, where the rate increased from 80.1 to 90.3 percent. The other estimate that was sensitive to how IHS was treated was the participation rate among American Indian/Alaska Native children, which increased from 74.5 percent to 91.8 percent when the IHS was classified as health insurance coverage.

[5] These numbers differ slightly from the estimates published in our prior reports due to changes in the information available on Medicaid and CHIP eligibility rules in each state, differences in the coverage information released on the ACS and the approach we used to estimated undocumented information. In our prior analyses for 2008 we found five states (Hawaii, Maine, Massachusetts, Michigan, and Vermont) and the District of Columbia to have participation rates for children over 90 percent and twelve states (Alaska, Arizona, Colorado, Florida, Idaho, Montana, Nevada, North Dakota, Oregon, Texas, Utah, and Wyoming) to have participation rates for children under 80 percent (See Kenney GM, Lynch V, Cook A and Phong S. "Who and Where Are the Children Yet to Enroll in Medicaid and the Children's Health Insurance Program?" *Health Affairs*, 29(10): 1920–29, 2010).

[6] Reductions in the number of eligible-but-uninsured children have been associated with reductions in the total number of uninsured children (See Alker J, Mancini T and Heberlein M. "Uninsured Children 2009-2011: Charting the Nation's Progress." Washington, DC: Georgetown University Health Policy Institute Center for Children and Families, 2012).

[7] This is consistent with other research that has found a link between policies adopted under CHIPRA and Medicaid/CHIP enrollment—see for example, Blavin F, Kenney GM and Huntress M. *An Early Look at the Impact of Express Lane Eligibility on Medicaid and Children's Health Insurance Program Enrollment: An Analysis of the Statistical Enrollment Data System*. Report submitted to the Assistant Secretary for Planning and Evaluation, U.S. Department of Health and Human Services, 2012.

[8] Kenney GM, Buettgens M, Guyer J and Heberlein M. "Improving Coverage for Children Under Health Reform Will Require Maintaining Current Eligibility Standards for Medicaid and CHIP." *Health Affairs*, 30(12):2371-81, 2011.

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About the Authors and Acknowledgments

Genevieve M. Kenney is co-director and a senior fellow, Nathaniel Anderson is a research assistant, and Victoria Lynch is a research associate in the Urban Institute's Health Policy Center. This research was funded by the Robert Wood Johnson Foundation. The authors are grateful for helpful comments and suggestions made by Stephen Zuckerman and Kathy Hempstead and for the research assistance of Eva Hruba.

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