

## Health Insurance Coverage Among Children in Florida

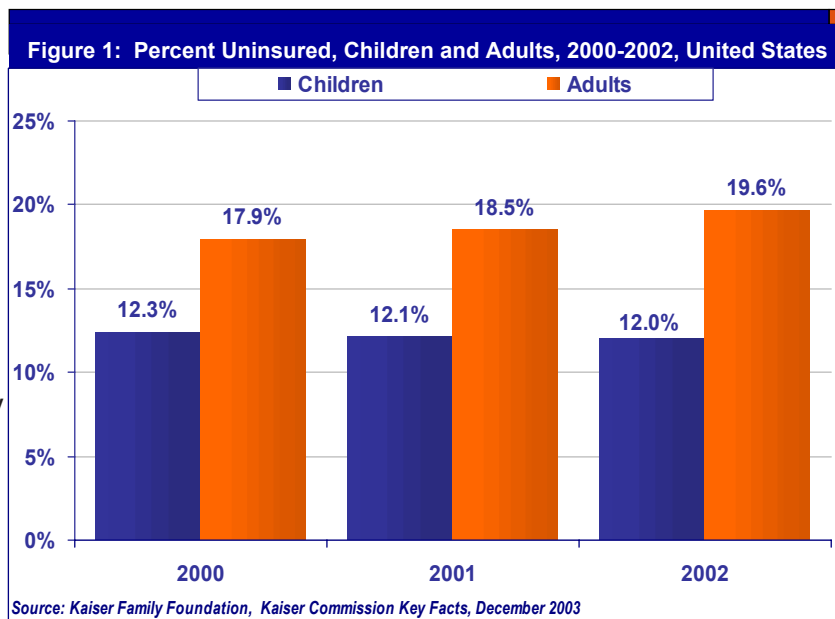
The number of Americans without health insurance continues to rise, and the consensus among policy-makers and experts is that this trend has a negative impact. People without health insurance get about half the medical care as those with health insurance, they tend to be sicker, and they die sooner. In the current policy context, especially considering the escalating costs of Medicare and Medicaid, little attention is being paid to major initiatives to reduce the numbers of uninsured people.

Modest, incremental steps are possible, and may take place at the state or even local level. But to have serious promise, such narrowly targeted initiatives must be guided by a clear understanding of the current situation. This series of fact sheets is intended to provide Floridians with basic information to support our ongoing policy conversation.

Children are particularly vulnerable to the effects of uninsurance. Frequent and timely well-child checkups, immunizations, and developmental assessments are considered critical in assuring healthy growth in children. Uninsured children are much less likely to receive such care, which could perhaps lead to lifelong health problems. This fact sheet examines health insurance coverage among Florida's children by comparing findings from the 1999 and 2004 Florida Health Insurance Surveys.

### Rates of Uninsurance, 1999 vs. 2004

Figure 1 illustrates that while adult uninsurance rates increased from 2000 to 2002 nationwide, rates for children held relatively steady. However, a substantial number of children under age 19 continue to lack health insurance coverage.



Prior to 1998, Medicaid was the sole major source of public health insurance coverage for children. In order to create a health care safety net for children living in low- to moderate-income Florida families, the legislature enacted the Florida KidCare Program in 1998. The program was designed to provide comprehensive health coverage for previously uninsured children, using combined federal and state resources from Medicaid (Title XIX of the Social Security Act) and the State Children's Health Insurance Program, also known as SCHIP (Title XXI of the Social Security Act). The Florida KidCare Program is an "umbrella" service delivery system comprised of four distinct components: MediKids, Florida Healthy Kids, Children's Medical Services, and Medicaid for Children.

With the successful implementation of the KidCare Program, the uninsurance rates for Florida's children decreased almost two percentage points, from 13.9% in 1999 to 12.1% in 2004 (Figure 2).

Most of the overall decline in uninsurance occurred among preschoolers and infants (aged 0 to 4 years). The rate of uninsurance for this age group decreased markedly, from 11.9% in 1999 to 8.1% in 2004.

Among older children, however, changes in levels of uninsurance mirrored nationwide levels and remained relatively flat (12.4% vs. 12.7% for children 5 to 9 years, and 14.1% vs. 14.8% for children 10 to 18 years old).

### Variation in Uninsurance by Income Level

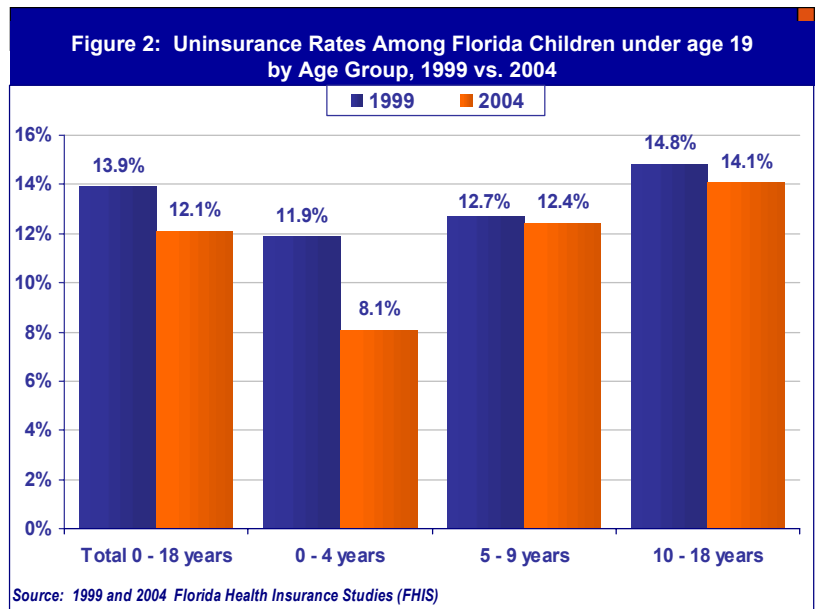
Rates of uninsurance in children vary according to household income. Findings from the 2004 survey indicate that for children overall, uninsurance rates declined as family household income increased (Table 1). For example, among households with annual earnings at 100% or less of the Federal Poverty Level (FPL), 21.6% of children were without coverage. In comparison, only 5.7% of children were uninsured in households with income levels above 200% of FPL (In 2004, a family of four was considered to be at 200% of FPL if annual household income equaled \$37,700).

Overall, approximately half a million children in Florida were without coverage in 2004. Although many of the uninsured children live at 100% or less of FPL, a quarter of Florida's uninsured children live in families with incomes greater than 200% of FPL.

### Racial and Ethnic Differences in Uninsurance Rates

Although rates of uninsurance are lower for children than adults, the pattern of children's uninsurance based on racial and ethnic characteristics parallels that of adults. Figure 3 shows the proportion of uninsured children by race/ethnicity and age groups. Overall, Hispanic children had the highest rates of uninsurance in 2004, followed by Black children. Relative to Non-Hispanic Whites, Hispanic children were twice as likely to lack health insurance coverage (17.4% vs. 8.5%).

Although rates of uninsurance increased with age among all racial/ethnic groups, this trend was particularly evident for Hispanic children. Across all age groups, older Hispanic children (age 10 to 18 years) have the highest rate of uninsurance (22.6%), while Non-Hispanic White and Black preschoolers and toddlers (ages 0-4) have the lowest levels of uninsurance (7.5% and 7.4% respectively).



**Table 1: Rate and Number of Uninsured Florida Children Under Age 19 by Federal Poverty Level (FPL), 2004**

Federal Poverty Level	All Children (0 - 18 yrs)	Age Less than 1 yr	Age 1 - 5 yrs	Age 6 - 18 yrs	* Number of Uninsured Floridian Children (0 - 18 yrs)
<b>100% FPL or less</b>	<b>21.6</b>	<b>8.6</b>	<b>12.5</b>	<b>25.9</b>	<b>170,000</b>
<b>100-133% FPL</b>	<b>20.0</b>	<b>2.3</b>	<b>15.7</b>	<b>22.6</b>	<b>69,000</b>
<b>134-185% FPL</b>	<b>17.9</b>	<b>14.7</b>	<b>14.0</b>	<b>19.4</b>	<b>109,000</b>
<b>186-200% FPL</b>	<b>16.5</b>	<b>4.5</b>	<b>15.1</b>	<b>17.6</b>	<b>26,000</b>
<b>Greater than 200% FPL</b>	<b>5.7</b>	<b>5.9</b>	<b>3.8</b>	<b>6.4</b>	<b>128,000</b>
<b>All Income Levels</b>	<b>12.1</b>	<b>7.6</b>	<b>8.5</b>	<b>13.7</b>	<b>504,000</b>

\* Numbers may not sum to a meaningful total due to rounding effects

Source: 2004 Florida Health Insurance Study (FHIS)

## Insurance Status and Source of Coverage

Figure 4 highlights changes in source of coverage between 1999 and 2004. Perhaps most noteworthy is the 10 percentage-point decline in rates of employer-sponsored health insurance coverage from 58.4% in 1999 to 48.5% in 2004. The erosion in employer-sponsored coverage mirrors national trends and may be reflective of higher premiums, copays, and deductibles being charged to employees, as well as a reduction in the number of firms offering coverage to workers and their families.

Some of the decline in rates of employment-based insurance coverage appears to be offset by increases in private and public coverage. The rate of individually purchased coverage increased during the five-year period from 8.4% in 1999 to 11.1% in 2004.

Similarly, over the five-year period, participation in publicly funded programs increased dramatically (from 17.2% in 1999 to 30.8% by 2004).

Other government programs, including Children's Medical Services and Medicare (covering disabled children and those with end-stage renal disease) doubled participation rates, increasing from 1.5% in 1999 to 2.9% in 2004.

It should be noted that coverage source is not mutually exclusive, since families with access to private or employment-based family coverage may also have a publicly subsidized option.

## Reducing the Number of Uninsured Children

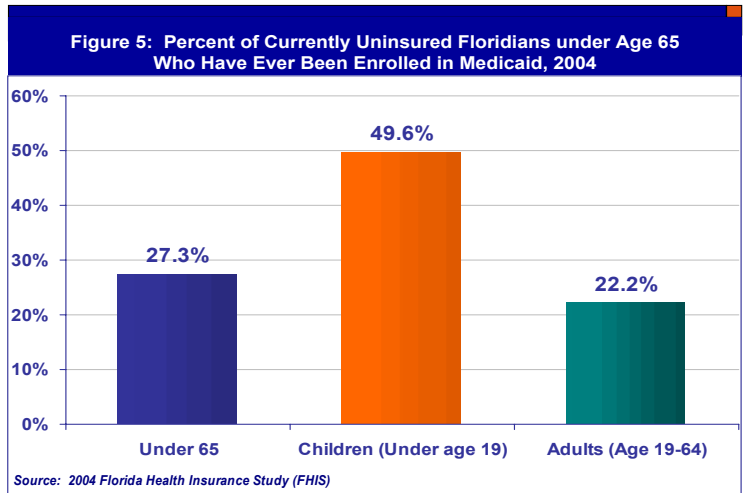
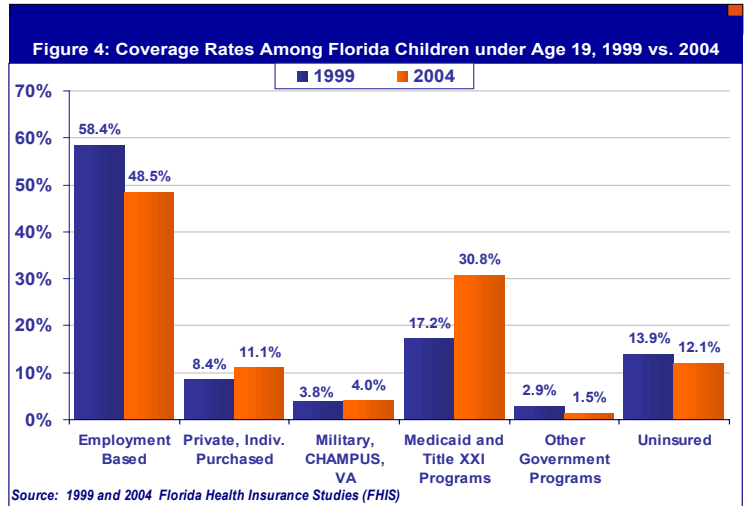
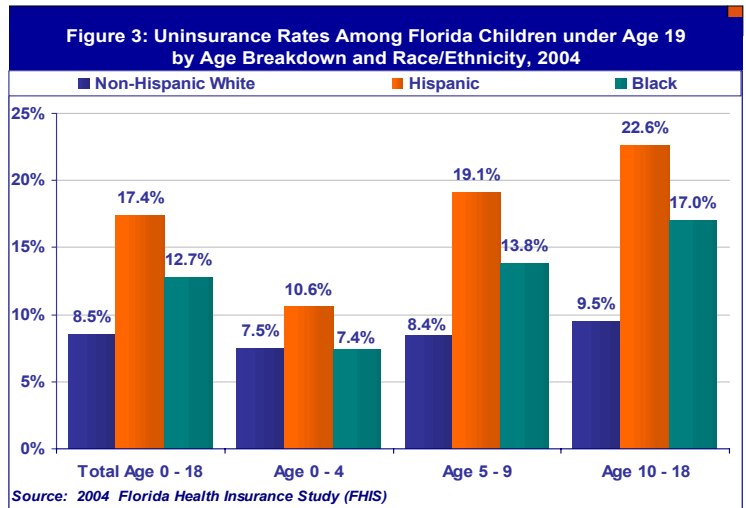
The public health insurance system serves as a mechanism to reduce rates of uninsurance among children. As Figure 5 illustrates, almost 50% of uninsured children had been enrolled in Medicaid at some point in their lives. This suggests that state interventions, such as simplifying enrollment processes, expanding eligibility levels and continued parent education may encourage longer periods of enrollment in Medicaid and SCHIP.

## Summary

The overall rate of uninsurance among children in Florida has declined in the last 5 years, from 13.9% in 1999 to 12.1% in 2004. While this reduction is clearly positive, it is noteworthy that a large number of children in Florida – over a half million – are still without health insurance. Uninsurance in children has long-term implications for the state, since inadequate health screenings and developmental assessments may result in lifelong health problems.

Uninsurance rates vary by socioeconomic and demographic characteristics. Particularly high rates of uninsurance are found among Hispanic children, children of very low-income families, and children between ages 10 to 18.

Employer-sponsored insurance, which covers over half of Florida children under 19, declined notably during the five-year period. This decline mirrors national trends. However, some of the decline in rates of employer-sponsored coverage in children is offset by their increased participation in Medicaid and Title XXI programs.



### Data Source and Methods

The findings presented in this fact sheet are based on data from the 2004 Florida Health Insurance Study. Telephone interviews were conducted between April and August of 2004 with 17,435 Florida households, collecting data on approximately 46,876 individuals under age 65. Telephone fieldwork was conducted by the Survey Research Center of the University of Florida's Bureau of Economic and Business Research. Up to 20 phone calls were made to each household selected by random-digit dialing. Interviews were conducted in English, Spanish, or Haitian Creole, at the discretion of the interviewee. Each interview took approximately 14 minutes to complete, depending on the size of the household. A full household enumeration was implemented, and information was also obtained about health status, access and utilization of health services, and type of employment. Survey methodology details are available at [http://ahca.myflorida.com/Medicaid/quality\\_management/mrp/projects/fhis2004/index.shtml](http://ahca.myflorida.com/Medicaid/quality_management/mrp/projects/fhis2004/index.shtml).

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