

Fact Sheet

Apple Health for Kids

January 2012

Apple Health for Kids, Washington State's public insurance program for children, provides access to affordable and comprehensive coverage to children in low income families across the state. This essential program ensures that children receive the preventive, primary and specialty care they need to grow into healthy adults. Apple Health for Kids has been a pivotal resource for families during the economic downturn, making sure that children's health coverage is not put at risk due to changes in employment.

Since the Legislature enacted the Cover All Kids law in 2007, an additional 100,000 children have benefited from Apple Health. Now, over 708,000 children – 36% of children in our state – have access to care because of this important program. A scalpel was taken to children's coverage in the last approved operating budget. Further erosion of children's coverage would be tantamount to dropping the state's commitment to children's health care.

Fortunately, reductions in Apple Health for Kids were not included in the Governor's proposed budget, although they were on the cut list just a month earlier. This program experienced cuts in the 2011-2013 biennial budget and may be a target for further reductions during the upcoming legislative sessions.

All children need health coverage to be healthy. Children need regular care and developmental screenings to prevent childhood illnesses from becoming life-long health problems. Those who do not get preventive care and early treatment are far more likely to miss school, less ready to learn and more likely to end up in the emergency room for conditions that have gotten out of control. Washington's Cover All Kids law recognizes the importance of providing health services for **all** children.

Covering children is cost-effective. Any program changes that reduce children's coverage would be penny-wise and pound-foolish. Under Apple Health for Kids, a child can be covered for as little as \$5 a day. For the cost of a single emergency room visit for an asthma attack, the state could provide a child *over a year and a half of Medicaid coverage*, leveraging a generous federal match. The investments made now will pay off as healthy children grow into healthy adults with fewer health care costs. For example, the state receives about 65% federal matching funds for Children's Health Insurance Program kids, which means the state contributes only about 35 cents of every dollar for this health coverage.

Families across Washington State have benefited from Apple Health for Kids. As families are losing jobs and employer-provided health insurance, they are turning to public health insurance programs to ensure continuity of care for their families. Apple Health for Kids is the only program that provides coverage for children below 300% of the FPL (\$55,590 per year for a family of three). It ensures stability for families, health care providers and the state during turbulent economic times.

Community health centers (CHCs) cannot do it alone. CHCs already provide a health home for 50% of the state's uninsured children. CHCs provide high-quality primary care services regardless of ability to pay, but are not a substitute for comprehensive insurance coverage. Without Apple Health for Kids, children will lose their access to affordable specialty care and put their families at risk for catastrophic hospital bills; many will receive primary care in the most expensive setting – the emergency room – and miss out on cost-effective preventive care.

The cost of care for uninsured children increases costs for everyone, particularly for CHCs which will continue to provide comprehensive primary care, but with fewer resources. The primary care safety net is already on the brink due to the rising number of uninsured.