

Reforming S-CHIP

Public Policy Primer Series

by

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Uninsured Texas Kids: How big is the problem?

In 2000

- **Low-income children 2.77 million**
- **Have health coverage: 1.87 million**
- **Uninsured: 0.90 million**



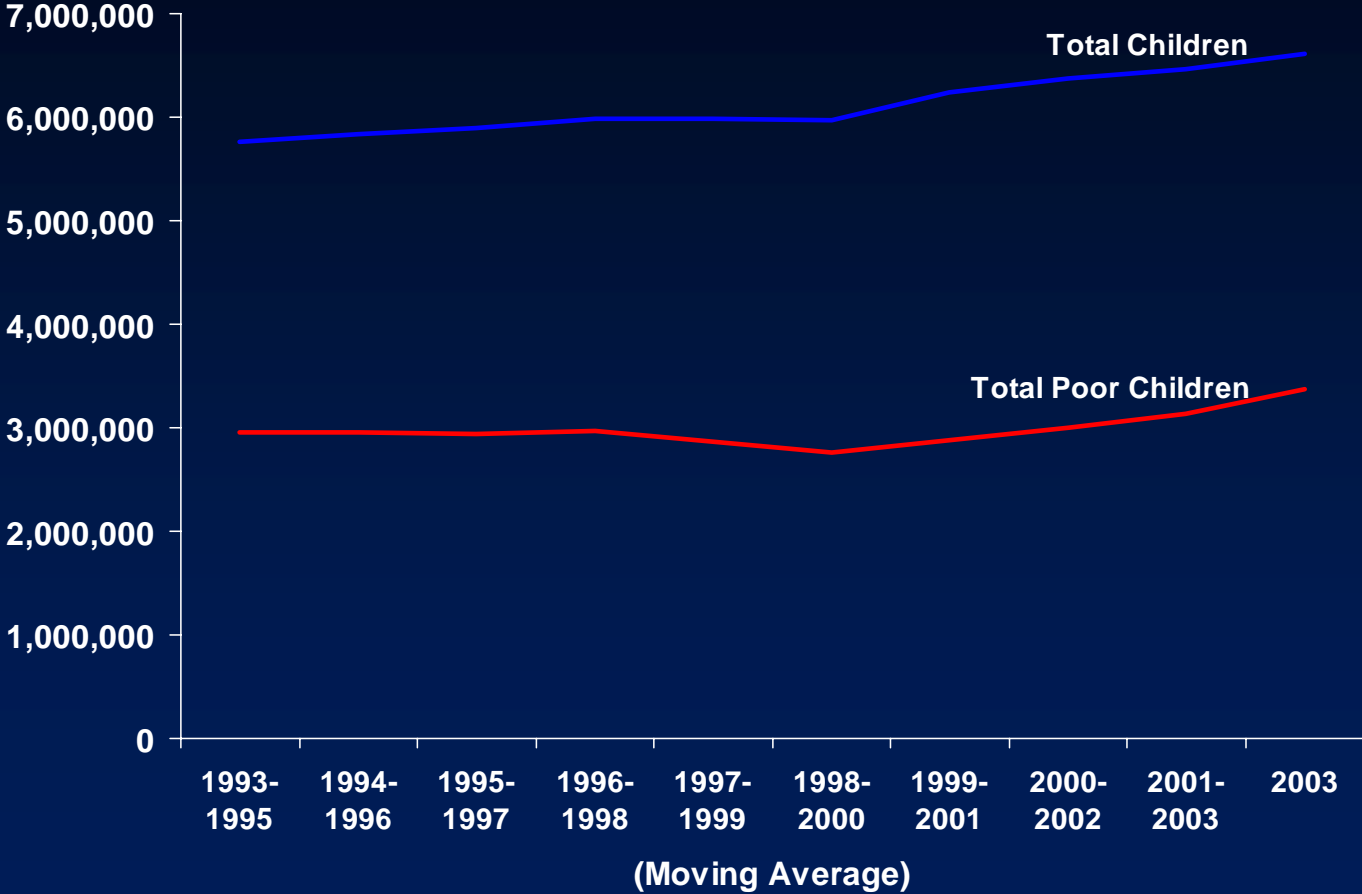
Uninsured Texas Kids: How big is the problem?

In 2003

- **Low-income children 3.40 million**
- **Have health coverage: 2.40 million**
- **Uninsured: 0.94 million**



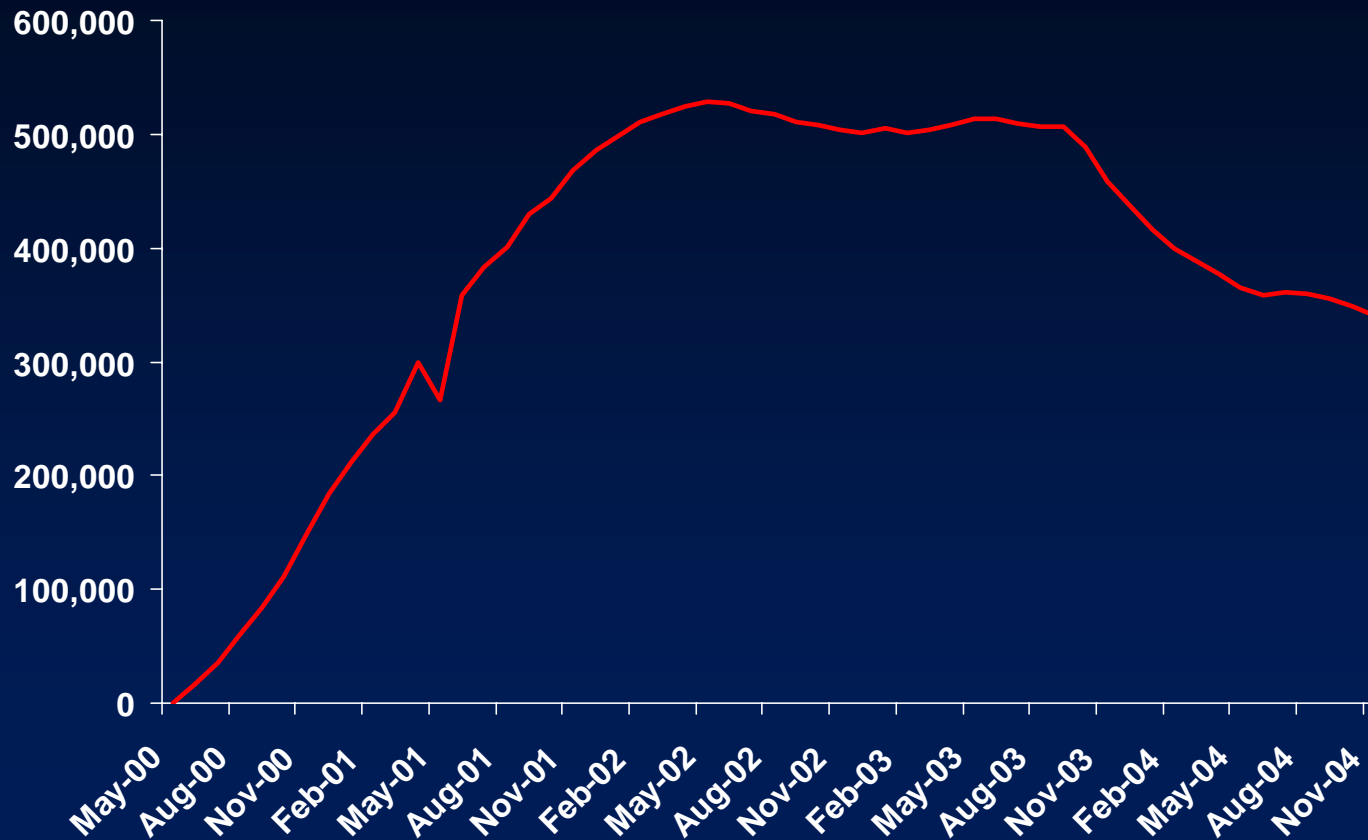
Children in Texas (1993 – 2003)



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Texas SCHIP Enrollment



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Month



Problem: Why have Uninsured Children not Declined?

- **Population Growth**
- **Economic slump increased poverty**
- **Crowd-out replaced private coverage**

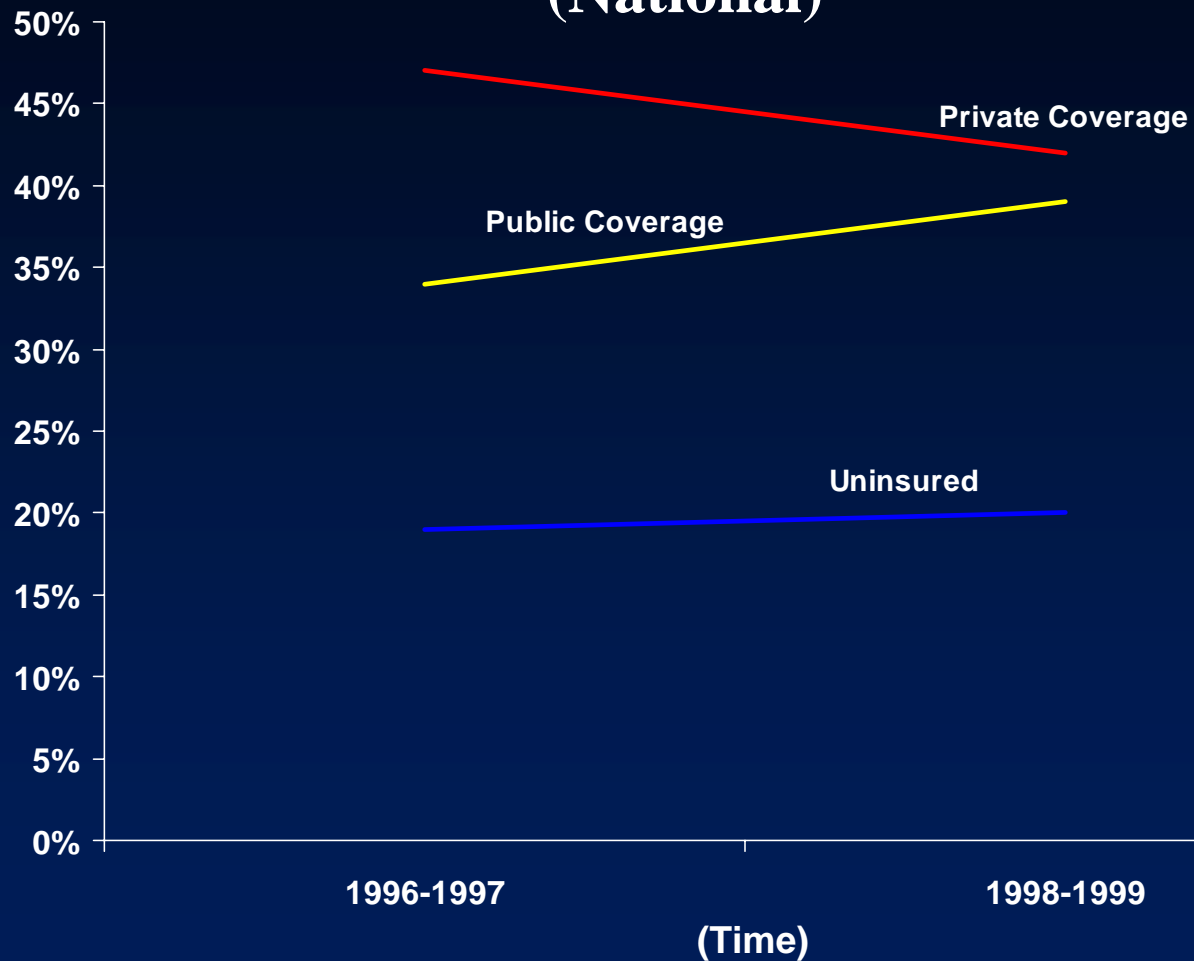


Problem: Crowd Out

- Drop private coverage
- Early Medicaid expansions
–47% to 74%
- Insured already have demand
- Uninsured resist contributing



Low-Income Children (National)



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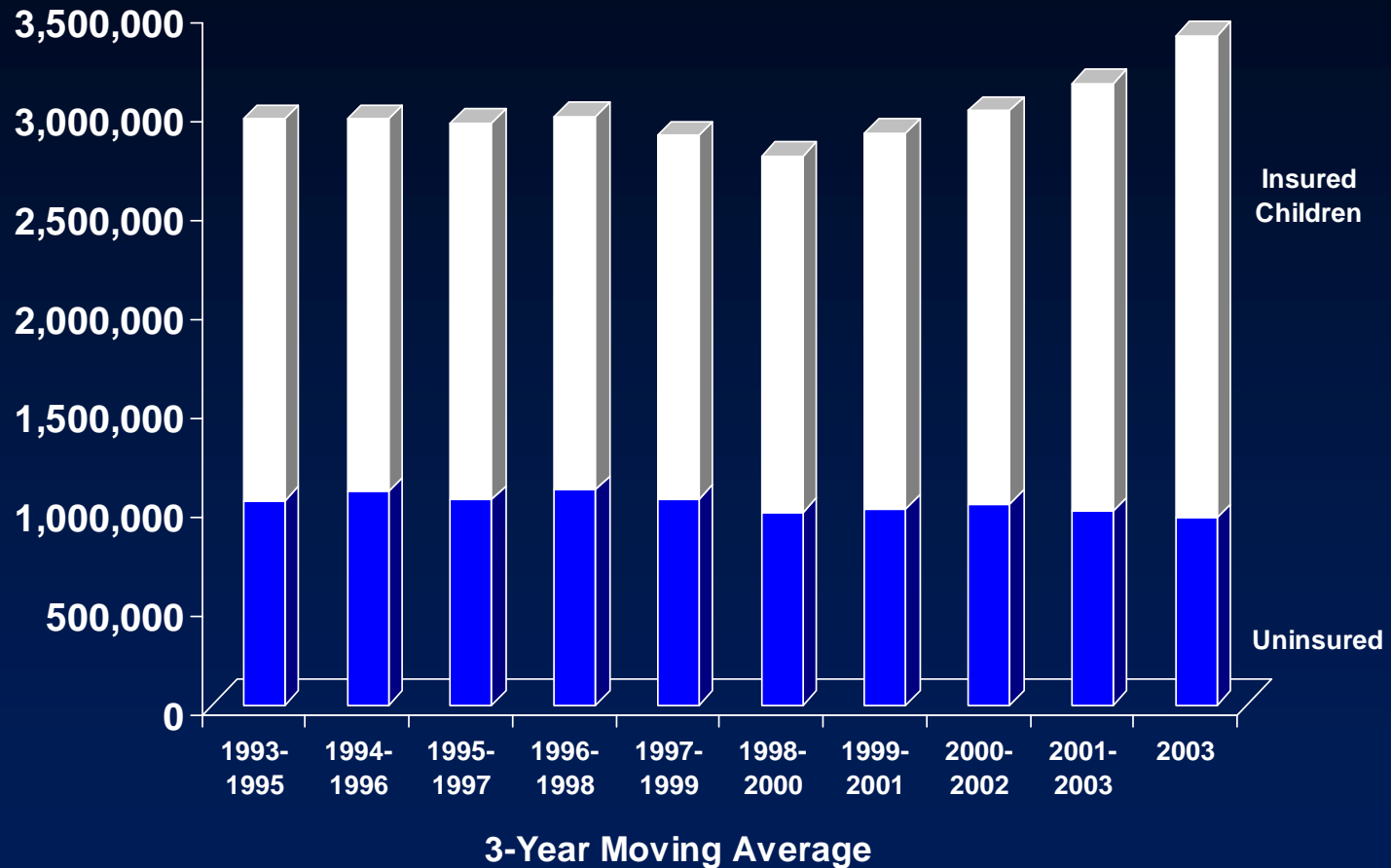
Non-Poor Children (National)



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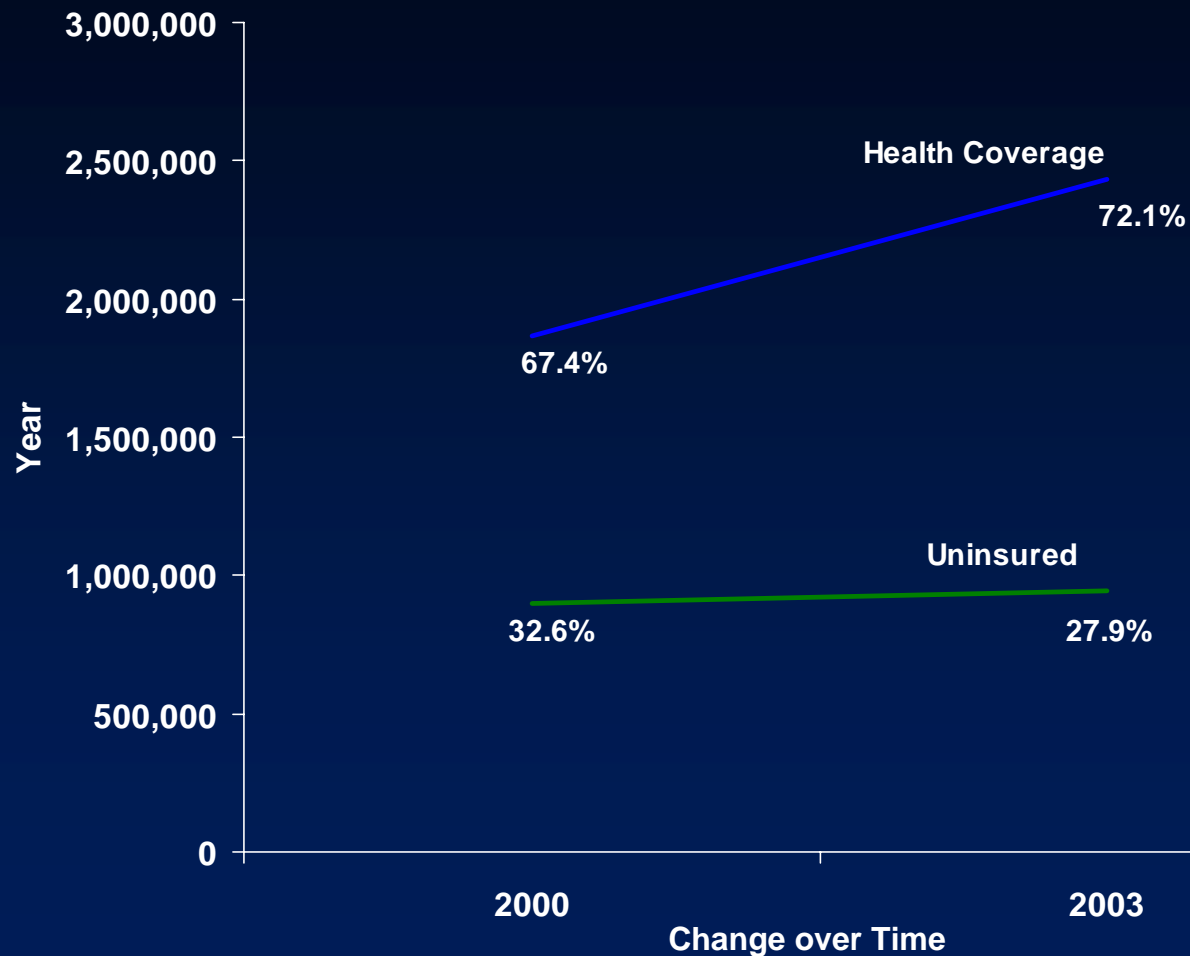
Low-Income Children in Texas (1993 - 2003)



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Texas Low-Income Children (2000 - 2003)



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TexCare

Current Enrollment: 340,101

Family Income	Premium
– 0% to 100%	\$0
– 101% to 150%	\$15
– 151% to 185%	\$20
– 186% to 200%	\$25



Policy Goals

- **Reduce Crowd-out**
- **Maintain Quality**
- **Restrain Costs**



Aggressive Reforms

- **Private Insurance**
- **Personal Accounts**



Common Sense Reforms: Private Insurance

- **Rely on the private sector**
- **Use funds to buy into employer plans**
 - **Several states have gotten waivers to use funds for private and employer plans.**



Common Sense Reforms: Personal Accounts

- **Personal accounts**
 - Cash and Counseling in half of states
 - Unqualified Health Savings Accounts
 - Reimbursement account



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