



FACT SHEET: SB 424, Sections 1 & 2 Uninsured Children in Oklahoma

FACTS

There are 146,000 uninsured children in Oklahoma, with 84%, or 122,200, living in families whose income falls below 300% of the federal poverty guidelines. Currently, SoonerCare covers children at or below 185% of FPL.

The Oklahoma All Kids Act – SB 424 (Adelson)

- Extends coverage through SoonerCare to children 18 and younger whose family incomes are between 185% and 300% of FPL.
- Allows families to access private insurance or employer-sponsored insurance for dependent children through a subsidy program.
- Establishes a program for partial coverage for children and families in high deductible or limited benefit health insurance plans.
- Also, provides for cost sharing requirements on a sliding scale.

Why is the All Kids Act Important?

Children who have health insurance are more likely to be immunized, receive regular check-ups and get treatment for common childhood ailments such as ear infections or asthma.

Children who have health insurance are less likely to use costly emergency room services.

Children who have health insurance have better school attendance as they are more likely to avoid preventable childhood illnesses.

Extending coverage to ALL Oklahoma children would significantly reduce confusion regarding eligibility and income requirements. If all children were eligible for health insurance we expect the state would capture some currently eligible but un-enrolled children.

National report indicates that by 2010, family premiums will increase by \$2,011 due to cost-shifting from the uninsured.

Fiscal Impact:

There are approximately 45,500 uninsured children between 185% and 300% FPL, and approximately 90 percent, or 40,931, children would likely gain insurance coverage.

The projected annual state cost for the All Kids Act is \$8,576,048. The projected federal share for will be \$29,881,566 for a total program cost of \$38,457,614.

Note: The federal government provides an incentive for states to extend coverage to the majority of children within this income range by providing Oklahoma with an enhanced matching rate of 78% (versus the standard program rate of 68%) through the State Children’s Health Insurance Program (SCHIP). In other words, for every dollar spent for this program the federal government will pay almost 78 cents and the state will only pay a little more than 22 cents.

Family Size	2007 Federal Poverty Guidelines: Annual (Monthly) Income				
	100%	133%	185%	200%	300%
1	10,210 (850.83)	13,579.30 (1,131.61)	18,888.50 (1,574.04)	20,420 (1,701.67)	30,630 (2,552.50)
2	13,690 (1,140.83)	18,270.70 (1,517.31)	25,326.50 (2,110.54)	27,380 (2,281.67)	41,070 (3,422.50)
3	17,170 (1,430.83)	22,836.10 (1,903.01)	31,764.50 (2,647.04)	34,340 (2,861.67)	51,510 (4,292.50)
4	20,650 (1,720.83)	27,464.50 (2,288.71)	38,202.50 (3,183.54)	41,300 (3,441.67)	61,950 (5,162.50)

Will the All Kids Act “crowd out” private insurance coverage?

Although there are no creditable sources that indicate the extension of the state supported children’s health insurance causes “crowd out,” this bill utilizes the most common and strongest method to prevent people from dropping current insurance coverage. To be eligible, an applicant must be uninsured for at least six months prior to qualifying.

In fact, this bill directly supports a family’s ability to purchase private or employer-sponsored insurance (see section 2, paragraph C).

Bottom line

Providing health insurance coverage for Oklahoma’s children makes sense: for the health of children, for the pocket books of Oklahoma’s families, and for the health care industry.