



BUILDING BETTER LIVES

FOR IMMEDIATE RELEASE
September 10, 2009

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Health Insurance Coverage for Illinois Children Improves *Progress threatened by recession and by state fiscal crisis*

CHICAGO – Data released by the U.S. Census Bureau today show continued improvement in health insurance coverage for Illinois children, due largely to enrollment in the state’s “All Kids” health insurance program, according to an analysis of the data by Voices for Illinois Children. The option of public health insurance for children has become even more critical during a deep recession, as unemployment increases and state revenues decline.

In 2007-2008, the state’s uninsured rate for children was 6.5 percent, compared with 8.1 percent in 2006-2007. The national average in 2007-2008 was 10.5 percent. In 2004-2005, the proportion of uninsured children in Illinois was 10.4 percent — about the same as the U.S. as a whole.

The latest data also show the continued long-term erosion of employment-based health insurance. In 2007-2008, 65 percent of Illinois children had employer-sponsored coverage, down from 66 percent in 2006-2007 and 71 percent in 1990-2000.

“This improvement in health insurance for children is good news. Still, too many families lack adequate health coverage or are at risk of losing coverage,” said Kathy Ryg, president, Voices for Illinois Children. “Also, today’s numbers don’t reflect the full impact of the recession. We can expect that even more families will need public coverage over the next year.”

The data were released today on the Census Bureau's website and represent the only data available on state-level health insurance trends over time. The state-level figures are two-year averages of survey data in order to improve the reliability of the estimates.

The encouraging trends in health insurance coverage for children reflect the impact of the state’s “All Kids” program, which began in July 2006. All Kids, a state-funded expansion of Medicaid and the State Children’s Health Insurance Program (CHIP), offers coverage for uninsured children regardless of family income, health status, or immigration status. Families are responsible for monthly premiums and co-payments on a sliding scale based on household income. For example, for a family of four at 250% of the federal poverty level, monthly premiums are \$40 per child, while the maximum annual co-payment is \$500 per child for hospital services.

In December 2008, about 70,000 children were enrolled in All Kids expansion. In addition, there is evidence that All Kids outreach efforts and a unified application process have had positive spillover effects on enrollment in Medicaid and CHIP. Between December 2005 and December 2008, participation of Illinois children in Medicaid increased by almost 250,000, while CHIP enrollment rose about 65,000. Since the implementation of All Kids, the total number of children covered under state programs has increased from 1.2 million to more than 1.5 million.

“These findings confirm that All Kids has been a success,” said Ryg. “Sustaining this progress won’t be easy, even though the cost of All Kids expansion is relatively small — it represents less than 1 percent of total medical assistance spending. Illinois still faces huge budget deficits, and our commitment to health coverage for children will be severely tested.”

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Voices for Illinois Children champions the full development of every child in Illinois to assure the future well-being of everyone in the state. We work with families, communities and policymakers on all issues to help children grow up healthy, happy, safe, loved, and well educated.