

Insuring North Carolina's Children

E. Stephen Edwards, MD, FAAP

Quality health insurance for all North Carolina children has been a long-term goal of the North Carolina Pediatric Society (NCPS). Currently 265,000 children under the age of 18 remain uninsured. Two thirds of this number are eligible for either Medicaid or North Carolina Health Choice, the State Child Health Insurance Program. Thus, there are approximately 85,000 North Carolina children who are both uninsured and ineligible for current public insurance programs.

Leaders of the NCPS along with other child advocates and political leaders are exploring options to insure these children. Should there be a state subsidy for children in families with incomes above 200% of the federal poverty guidelines (FPG) or \$40,000 for a family of four? If so, should there be a sliding-fee scale, and what should those rates be? At what level should that scale end (300% or 400% FPG)? How could we best assure that there would not be a "crowd out" effect where currently insured children would transfer from private plans to state-offered plans? While the assumption is that co-payments would be required for those above 200% FPG, how much should those co-payments be? Should immigrant children who are ineligible for federal subsidies be offered state subsidies?

One of the most difficult questions involves the benefit package. Currently the benefit package for Medicaid and North Carolina Health Choice is very comprehensive, including preventive healthcare; sick child care; therapy for hearing, speech, and visual problems; and dental and mental health problems. Can we afford that same package for the working poor?

Our state's Enhanced Case Management System has worked well in the Medicaid and North Carolina Health Choice populations to reduce expenditures. It has improved the health of children with chronic diseases, such as diabetes and asthma, while reducing costs by decreasing emergency room and hospital usage. Should

that be extended to this new group of insured?

Physician fees have to be considered. In North Carolina, Medicaid and North Carolina Health Choice payments for services to children are 95% of Medicare-allowable fees. By national standards this is generous, but with expanded numbers of children covered by the program, will those who care for children be able to stay afloat financially? This will be of special

"Currently 265,000 children under the age of 18 remain uninsured. Two thirds of this number are eligible for either Medicaid or North Carolina Health Choice, the State Child Health Insurance Program. Thus, there are approximately 85,000 North Carolina children who are both uninsured and ineligible for current public insurance programs."

concern if the "crowd out" factor pushes more children from private insurance to the state program. (My impression is that our adult medical colleagues aren't very happy even with 100% of

E. Stephen Edwards, MD, FAAP, is Past President, American Academy of Pediatrics and the North Carolina Pediatric Society. Dr. Edwards can be reached at sedward1@ix.netcom.com. Telephone: 919-782-1174.

Medicare-allowable fees.) We certainly don't want to create programs that financially punish healthcare professionals who participate.

And, finally, how do we pay for the system? In Massachusetts, where an individual mandate law has just been signed by Governor Romney, some contend that there is already enough money in the system to finance healthcare for all. This remains to be demonstrated. In North Carolina, at least initially, additional funds would be required from state appropriations. Where would we get those dollars? Are there creative ways to bring more federal dollars to North Carolina by increasing the ceiling for Medicaid and North Carolina Health Choice above 200% FPG?

These are just some of the questions that are being explored by the NCPS and others interested in child health—and they are important questions. These questions could be resolved rapidly if there were indications that we are ready for change. As a society we have committed to nutrition and education for all children. How long can we continue to ignore child health? Data are available to show that uninsured children fail in multiple facets of life, such as missed school days and poor school performance.

We live in the richest society in the world. We tried the employer mandate route in 1990 with the Matsui Bill and in 1993 with the Clinton health plan. There was vigorous objection

to both, especially from the business and insurance sectors. Massachusetts has now adopted an individual mandate where each citizen is required to purchase health insurance. We adopt a somewhat similar program for automobile liability insurance. Is the health of our children not more important than our automobiles?

There are obviously some difficult questions of equity and financing involved in health insurance for all children. But a nation that sent men to the moon with a single decade's effort is smart enough and rich enough to provide health insurance for our children. What we lack is not the money, nor the brain power, but the WILL.

If we choose to establish child health as priority, implementation could be accomplished quickly and relatively inexpensively. While the NCPS has focused primarily on child health, I believe that the organization would enthusiastically join any coalition to promote health insurance for all North Carolinians. **NCMedJ**



THE CANCER PROJECT

Finally!

A prescription with side effects you want.

Blueberries and red beans, just a few of the many foods rich in antioxidants, are powerful remedies in the fight against cancer. Research shows that fruits, vegetables, and other low-fat vegetarian foods may help prevent cancer and even improve survival rates. A healthy plant-based diet can lower your cholesterol, increase your energy, and help with weight loss and diabetes. Fill this prescription at your local market and don't forget—you have unlimited refills!

For a free nutrition booklet with cancer fighting recipes, call toll-free 1-866-906-WELL or visit www.CancerProject.org