Adolescents in Public Health Insurance Programs: Medicaid and CHIP

SUMMARY of a new report by the Center for Adolescent Health & the Law

Medicaid and CHIP Offer Unfulfilled Opportunity to Address Gaps in Health Insurance Coverage for Young People

Approximately 3.7 million adolescents are uninsured in the United States. Nearly two-thirds of these adolescents (2.3 million) are eligible for but not enrolled in Medicaid or the State Children’s Health Insurance Program (CHIP) passed by Congress in 1997. Medicaid and CHIP offer states an unprecedented opportunity to meet the health care needs of America’s adolescents. The challenge is for policy makers to seize the opportunity to provide comprehensive coverage for teens and young adults who are uninsured at higher rates than other age groups.

The State Children’s Health Insurance Program made available approximately $48 billion in federal funds over ten years to help states expand health insurance coverage to low-income children and youth. Federal law permits states to use CHIP funds to expand coverage in three ways: through Medicaid expansions; state-designed, non-Medicaid programs; or a combination of these two approaches.

To capitalize on the opportunities offered by Medicaid and CHIP, adolescent health advocates require a firm understanding of the legal framework that shapes these programs, both in terms of what federal law requires and what it permits. They also need to understand how states have implemented the options available to them, and whether those decisions are likely to enhance or hinder adolescents’ access to health care.

Two years after the first states began to implement their CHIP programs, it is possible to provide a snapshot of what is being done for adolescents in three major areas:

- **Eligibility, outreach, and enrollment:**
  - **Benefits; and**
  - **Delivery of services.**

Although there is some good news, it is certain that states have much work to do to ensure that Medicaid and CHIP fulfill their promise to America’s youth.

In order for Medicaid and CHIP to serve adolescents, federal and state policy makers must work effectively with health plans, health care providers, advocates, and the children, youth, and families that these programs are designed to serve.

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**Recommendations**

To ensure that Medicaid and CHIP meet the needs of adolescents, states, health plans, health care providers, and advocates should work to do the following:

- Provide coverage for adolescents to at least age 19 in families with incomes up to at least 200% FPL.
- Target outreach specifically to adolescents and their families.
- Simplify applications and enrollment so that all eligible adolescents have coverage.
- Cover preventive services in accordance with professionally recommended standards for adolescents including those developed by the American Academy of Pediatrics, the American Medical Association (the Guidelines for Adolescent Preventive Services — GAPS), and Bright Futures.
- Include a continuum of comprehensive mental health and substance abuse services in the benefits package.
- Include the full range of sexual and reproductive health services in the benefits package.
- Provide comprehensive, specialized, and multidisciplinary services to adolescents with chronic illnesses or disabilities.
- Assure confidentiality of adolescents’ health information and provide accurate and complete information about laws concerning minor consent and confidentiality to health plans, health care providers, and enrollees.
- Assure that capitation rates and fees paid to health plans and providers are adequate to support the full range and intensity of services that adolescents need.
- Include health care providers and sites with experience and expertise in adolescent health in health plan networks and ensure that they are readily accessible to adolescents.
- Train personnel responsible for approving adolescents’ utilization of services to take into account the specific needs of this population.
- Assure that adolescents receive age and developmentally appropriate care through quality assurance efforts, including the development and the use of adolescent-specific performance measures.

More detailed recommendations are included in the full report, English A, Morreale M, Strinett A, Adolescents in Public Health Insurance Programs: Medicaid and CHIP (Chapel Hill, NC: Center for Adolescent Health & the Law, December 1999), which is available from the Center for Adolescent Health & the Law upon request.

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**Notes**


2 According to CHIP plans and amendments approved by the federal Health Care Financing Administration as of September 8, 1999.

3 Coverage may be for Medicaid, a non-Medicaid, state-administered program, or a combination of these approaches.

4 Arkansas covered adolescents under age 16.

5 Vermont covered adolescents under age 18.

6 Arkansas and Oklahoma covered adolescents under age 18.

7 According to CHIP plans and amendments approved by the federal Health Care Financing Administration as of September 8, 1999.

8 Coverage may be for Medicaid, a non-Medicaid, state-administered program, or a combination of these approaches.

9 Arkansas covered adolescents under age 16.

10 Vermont covered adolescents under age 18.

11 Gaps in Health Insurance Coverage for Young People: Medicaid and CHIP Offer Unfulfilled Opportunity to Address Developmental and Health Problems, English A, Morreale M, Stinnett A, Adolescents in Public Health Insurance Programs: Medicaid and CHIP (Chapel Hill, NC: Center for Adolescent Health & the Law, December 1999), which is available from the Center for Adolescent Health & the Law upon request.

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13 Available at http://www.aap.org/advocacy/adolescents/pdf.

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Center for Adolescent Health & the Law, a project of Advocates for Youth
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Key Findings

Many States Have Used CHIP Funds to Expand Coverage for Adolescents, But Most Still Not Doing Enough

Prior to CHIP, federal law required states to gradually “phase in” Medicaid eligibility for poor adolescents. If states did not exceed the minimum federal Medicaid eligibility requirements for both age and family income. (AK, CT, DC, DE, FL, GA, KS, KY, MA, MD, ME, MI, MO, MS, MT, NC, NE, NH, NJ, NM, NY, OH, OK, OR, PA, RI, SC, SD, VT, WA, WI, WY)

CHIP law permits states to accelerate this phase-in schedule for Medicaid coverage of older adolescents and provides a financial incentive—an enhanced federal match—to states that choose to do so. Before CHIP was enacted, only 21 states had exceeded the federal Medicaid eligibility requirements (by age, income, or both) for adolescents. Less than two years later, as a result of the implementation of CHIP, that number had doubled to 42 states and the District of Columbia. According to state CHIP plans approved by early September 1999:

- Eight states do not exceed the minimum federal Medicaid eligibility requirements for adolescents. (AZ, CO, HI, MT, NV, NY, PA, WY)
- Seventeen states exceed the minimum federal Medicaid eligibility requirements by covering adolescents to a higher age than required. (AR, CA, DE, FL, GA, KS, KY, MS, NC, ND, OR, TN, TX, UT, VA, WA)
- Twenty-five states and the District of Columbia exceed the minimum federal Medicaid eligibility requirements for both age and family income. (AK, CT, DC, ID, IL, IN, IA, LA, ME, MA, MD, MI, MN, MO, NE, NH, NJ, NM, OH, OK, RI, SC, SD, VT, WA, WI)
- CHIP law also permits states to cover children and adolescents at higher income levels than previously required. In most states, federal CHIP funds can be used to cover adolescents under age 19 in families with incomes up to 200% FPL. Some states can cover children and adolescents at higher income levels, depending on the Medicaid eligibility rules in place prior to CHIP.

Although a significant number of states have exceeded the minimum federal requirements for Medicaid eligibility of older adolescents, with many using CHIP funds to do so, few have maximized the opportunity that CHIP provides to use federal funds to cover adolescents. Approximately one-half of the states are not yet doing all they could to establish Medicaid and CHIP eligibility levels that would reach as many adolescents as possible. Again, according to state CHIP plans approved by early September 1999:

- Four states limit coverage to adolescents under age 19 in families with maximum income ≤ 100% FPL. (AR, ND, TN, TX)
- Nineteen states limit coverage to adolescents under age 19 in families with maximum income ≤ 200% FPL but > 100% FPL. (CO, IA, ID, IL, IN, LA, ME, MS, MT, NE, OH, OK, OR, SC, SD, WA, WV, WI, WY)

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Aggressive Outreach and Enrollment of Adolescents Are Needed to Ensure Success of Medicaid and CHIP

Uninsured youth will benefit from Medicaid and CHIP only if the states in which they live choose to extend eligibility and if states then work to enroll them. According to the most recent estimates developed by the American Academy of Pediatrics, approximately 3.7 million adolescents ages 13 through 18 remain uninsured. This total includes more than 2.3 million adolescents who are eligible for but not enrolled in Medicaid or non-Medicaid, state-designed CHIP programs. To enroll all eligible adolescents, states must enhance outreach and simplify enrollment.

It is also important to note that 1.3 million uninsured adolescents under age 19 remain ineligible for Medicaid or CHIP, either because states have not elected to cover them or their family income level exceeds federally allowed limits.

Medicaid and CHIP Could Meet Adolescents’ Need for Comprehensive Services, But Implementation Has Been Uneven

Adolescents have serious health care needs, including high rates of suicide, mental and emotional illness, other chronic illnesses and disabilities, poor nutrition, pregnancy, HIV and other sexually transmitted diseases, and substance abuse. Addressing adolescents’ diverse and complex needs requires a comprehensive set of benefits that includes preventive care as well as diagnostic and treatment services.

Fortunately, Medicaid law requires and CHIP law permits states to provide a benefit package that would go a long way toward meeting the needs of adolescents enrolled in these programs. However, many gaps remain in the provision of key benefits for adolescents. For example:

- Medicaid includes strong requirements for regular comprehensive health assessments, but adolescents lag behind other age groups in receiving these assessments.
- Inclusion of comprehensive mental health and substance abuse services is in the CHIP benefit package is uneven at best.
- Only a few states have adopted the comprehensive Medicaid benefit package for their state-designed CHIP programs or have offered an enhanced benefit package for adolescents with disabilities and chronic illnesses. Many do not.
- Most states offer some level of family planning services in their CHIP plans, but the comprehensiveness of these services for teens is not yet fully known.

Service Delivery Issues Hindering Adolescents’ Access to Services in Medicaid and CHIP

Even when adolescents are enrolled in insurance programs that provide comprehensive benefits, a number of other factors influence whether adolescents actually receive the services they need. These include affordability, confidentiality, and availability of providers with expertise and experience in caring for adolescents. Efforts to improve health service delivery for adolescents vary widely among states. For example:

- About one-half of the states impose copayments for services which are difficult for adolescents to pay.
- A small number of states recognize adolescents’ need for confidential services in their Medicaid and managed care programs, but most have not done nearly enough.
- Few states have taken adequate steps to include school-based health centers and other adolescent-friendly providers in Medicaid managed care networks.