

For the Congressional Record  
May 16, 2007

**Statement of Congressman Pete Stark  
Introducing the MediKids Health Insurance Act of 2007**

Madam Speaker, it is with great pride that I rise today to introduce the MediKids Health Insurance Act of 2007, legislation to provide universal health coverage to our nation's children.

In February, I was appalled when the *Washington Post* reported that 12-year old Deamonte Driver passed away because his mother could not afford a basic dental procedure.

An untreated infection in Deamonte's molar had spread to his brain. By the time he was brought to an emergency room, no amount of money could save him.

Deamonte Driver did not have to die. He would be still alive today if his mother had been insured, if more dentists accepted Medicaid, or if his family had not lost their Medicaid coverage.

This tragic story speaks to the shortcomings of our fragmented health care system. Millions of children are covered by their parents' health insurance plans. Medicaid and SCHIP provide care to millions of kids in families that meet their eligibility standards. Unfortunately, both programs have unnecessarily complex enrollment and review processes. Nearly nine million children slip through the cracks of this incomplete system and go without health insurance each year.

Enough is enough. The wealthiest nation in the world can and should guarantee quality health care to all of our children. With insurance costs skyrocketing and employers dropping care, an overwhelming majority of Americans agrees. According to a February 2007 *New York Times*/ CBS News poll, 84 percent favor expanding public programs to cover all uninsured children. If that's not a mandate for Congressional action, I don't know what is.

Rather than reinvent the wheel to provide care to our children, we should build on what works in our health care system. When Congress created Medicare more than 40 years ago, our nation's seniors were more likely to be living in poverty than any other age

group. Most senior citizens were unable to afford needed medical services and unable to find health insurance in the private market even if they could afford it. Today, as a result of Medicare's success, seniors are much less likely to be shackled by the bonds of poverty or to go without needed health care.

Now it is our nation's children who are most likely to be poor. Kids in America are nearly twice as vulnerable to poverty as adults. This travesty is not only morally reprehensible; it also has grave consequences for the future of our country. Our future rests on our ability to provide our children with the basic conditions to thrive and become healthy, educated, and productive adults.

Poor children are often malnourished and have difficulty succeeding in school. Untreated illnesses only worsen their chance for success. Providing these children with guaranteed health care would help realize their potential as individuals and our potential as a nation.

The MediKids Health Insurance Act would create a new federal health insurance program for children called MediKids. Modeled after Medicare, MediKids would provide comprehensive benefits appropriate to children, simplified cost sharing, prescription drug coverage and mental health parity.

Every child in America would be automatically enrolled in MediKids at birth and maintain that eligibility until age 23. Parents would retain the choice to enroll their kids in private plans or government programs such as Medicaid or SCHIP. However, if a lapse in other insurance coverage occurs, MediKids automatically fills in the gap.

MediKids doesn't have complicated enrollment and eligibility hoops. Instead, it assures that families will always have access to affordable health insurance for their children.

I can think of no better use of Congress' time – or our nation's money – than to enact MediKids and provide health insurance to every child. Providing a simple, stable, and flexible health insurance option will afford millions of parents the peace of mind of knowing that their children will be cared for when they are sick. Our nation's priorities should be centered on creating a bright future for our children and MediKids helps to achieve this goal.

I look forward to working with my colleagues and the many endorsing organizations, including the American Academy of Pediatrics and the Children's Defense Fund to enact the MediKids Health Insurance Act.

Below is a summary of MediKids that provides additional details.

## **MediKids Health Insurance Act of 2007 Bill Summary**

The MediKids Health Insurance Act provides health insurance for all children in the United States regardless of family income level by 2014. The program is modeled after Medicare, but the benefits are improved and targeted toward children.

MediKids is the ultimate safety net, with maximum simplicity, stability, and flexibility for families. Parents may choose to enroll their children in private plans or government programs such as Medicaid or S-CHIP. However, if a lapse in other insurance coverage occurs, MediKids automatically picks up the children's health insurance. MediKids follows children across state lines when families move, and fills the gaps when families climbing out of poverty become ineligible for means-tested programs.

### **ENROLLMENT AND ELIGIBILITY**

Every child born after December 31, 2008 is automatically enrolled in MediKids. Older children are enrolled over a 5-year phase-in as described below. Children who immigrate to the U.S. are enrolled when they receive their immigration cards. Materials describing the program's benefits, along with a MediKids insurance card, are issued to the parent(s) or legal guardian(s) of each child. Once enrolled, children remain enrolled in MediKids until they reach the age of 23. There are no re-determination hoops to jump through because MediKids is not means tested.

### **BENEFITS**

The benefit package is based on the Medicare and the Medicaid Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) benefits for children, with simplified cost sharing mechanisms and comprehensive prescription drug coverage. The benefits will be reviewed annually and updated by the Secretary of Health and Human Services to reflect age-appropriate benefits as needed with input from the pediatric community.

### **PREMIUMS, DEDUCTIBLES, AND COPAYS**

MediKids assures that families will always have access to affordable health insurance for their children. Families below 150 percent of poverty pay no premiums or cost sharing. Families between 150 percent and 300 percent of poverty pay reduced premiums and cost sharing. Parents above 300 percent of poverty are responsible for a small premium equal to one fourth of the average annual cost per child. Premiums are collected at the time of income tax filing. Premiums are not assessed during periods of equivalent alternative coverage. Families will never pay more than five percent of their adjusted gross income (AGI) for premiums.

Cost sharing is similar to the largest plans available to Members of Congress. There is no cost sharing for preventive and well childcare for any children. A refundable tax credit is provided for cost sharing above five percent of AGI.

## **FINANCING**

Initial funding to be determined by Congress. In future years, the Secretary of Treasury would develop a package of progressive, gradual tax changes to fund the program, as the numbers of enrollees grows.

## **STATES**

Medicaid and S-CHIP are not altered by MediKids. States can choose to maintain these programs. To the extent that the states save money from the enrollment of children into MediKids, states are required to maintain current funding levels in other programs and services directed toward the Medicaid population. This can include expanding eligibility or offering additional services. For example, states could expand eligibility for parents and single individuals, increase payment rates to providers, or enhance quality initiatives in nursing homes.

## **PHASE-IN**

MediKids is phased-in over a five-year period according to the following schedule:

- Year 1 = the child has not attained age **6**
- Year 2 = the child has not attained age **11**
- Year 3 = the child has not attained age **16**
- Year 4 = the child has not attained age **21**
- Year 5 = the child has not attained age **23**

## **SUPPORTING ORGANIZATIONS**

American Academy of Family Physicians  
American Academy of Pediatrics  
American Medical Student Association  
Children's Defense Fund  
Consumers Union  
Families USA  
March of Dimes  
National Association of Children's Hospitals  
National Association of Community Health Centers  
National Association of Public Hospitals and Health Systems  
National Health Law Program  
NETWORK: A National Catholic Social Justice Lobby