

Arizona is the Only State Planning to Freeze KidsCare

KidsCare is Arizona's Children's Health Insurance Program (CHIP), providing high quality, health coverage to children in working families. KidsCare was designed for families who earn too much to qualify for Medicaid/AHCCCS, but cannot afford private health insurance. All parents pay affordable monthly premiums and can choose their own doctor and dentist.

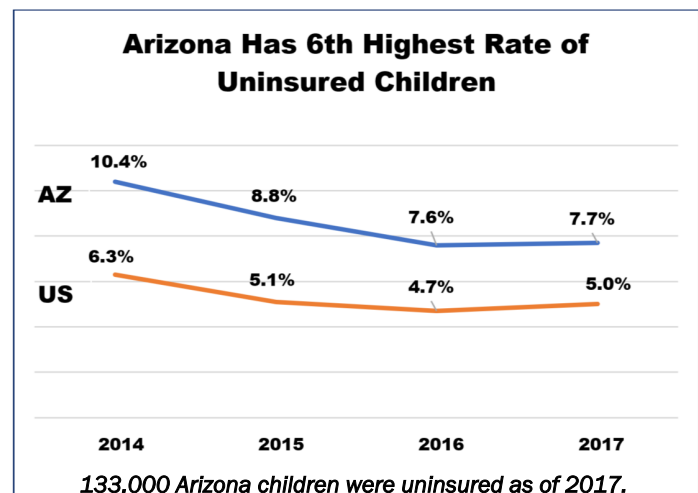
Arizona froze enrollment in KidsCare in 2010 and became the only state without a functioning CHIP program until the legislature and Governor Ducey lifted the freeze in 2016 with broad bipartisan support.

Today, almost 35,000 Arizona children are covered through KidsCare, but this coverage is once again at risk. State law has an automatic trigger to freeze KidsCare when the federal funding drops below 100%, which will happen on October 1, 2019. Most of these children will not have other options for health coverage and our rate of uninsured children will rise.

Legislature Should Keep KidsCare

The Governor and legislature should remove the automatic total freeze on enrollment and appropriate \$1.6 million in state funds.

- Federal funding for KidsCare has been renewed by Congress for an additional ten years.
- The federal match rate for Arizona will go down from 100% to 90% in October 2019 and to 79% in 2020 and remain there. The legislature can decide each year how much in state funds to invest in KidsCare.
- Enrollment will be capped based on the state appropriation, so KidsCare stays open and the legislature controls the state costs.
- According to Arizona's Medicaid agency, AHCCCS, the state cost for KidsCare will be \$8 million in state fiscal year 2020, matching \$98 million in federal funds.



Source: Table HIC-5, Health Insurance Coverage Status and Type of Coverage by State - Children Under 19: 2008 to 2017, Health Insurance Historical Tables, U.S. Census Bureau American Community Survey (ACS). Data is rounded to the nearest 1,000th.

Why do Arizona Families Need KidsCare?

1. **KidsCare improves the health and lives of thousands of Arizona Kids.** Parents can take their child to see a doctor or a dentist and get the healthcare they need to learn and grow up healthy, such as check-ups, immunizations, and eye glasses, they can get care for complex health conditions such as autism or congenital heart disease.
2. **KidsCare helps children succeed in school and life.** Research shows that children who have access to Medicaid and CHIP miss fewer school days, do better in school overall, are more likely to graduate high school and attend college, and become more economically independent adults.
3. **KidsCare prevents the need for foster care and helps foster children transitioning back home.** KidsCare provides families access to key behavioral health services that keep children safe and families together.
4. **KidsCare makes economic sense.** Research from the Harvard Business School finds that families with CHIP coverage had a 23% higher rate of self-employment and a 31% higher rate of ownership of incorporated businesses. Researchers at ASU found that uninsured children do not get as much regular medical care, resulting in costly emergency room use.