# GAO

United States General Accounting Office Washington, D.C. 20548

Health, Education and Human Services Division

B-272403

July 9, 1996

The Honorable Christopher J. Dodd Ranking Minority Member Subcommittee on Children and Families Committee on Labor and Human Resources United States Senate

Dear Senator Dodd:

During the last few years, private health insurance coverage for children has deteriorated as the percentage of uninsured children grew. At the same time, Medicaid increased in importance as a source of insurance for lower-income children. Medicaid expends a relatively small percentage of its program funds on medical care for children, but the Medicaid program overall is costly—both to the states and the federal government. The Congress has considered restructuring Medicaid, including altering the rules that govern children's eligibility for coverage and decreasing federal requirements for covered services.

Concerned about these issues and their effect on children, you asked us to provide you with updated information for 1994 on health insurance coverage for children.<sup>1</sup> Specifically, you asked us to include estimates of

- the number of children with different types of health insurance coverage (private insurance, Medicaid) or uninsured from 1987 through 1994;

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<sup>&</sup>lt;sup>1</sup>See <u>Health Insurance for Children: Private Coverage Continues to Deteriorate</u> (GAO/HEHS-96-129, June 17, 1996). Also see <u>Health Insurance for Children:</u> <u>State and Private Programs Create New Strategies to Insure Children</u> (GAO/HEHS-96-35, Jan. 18, 1996), <u>Medicaid and Children's Insurance</u> (GAO/HEHS-96-50R, Oct. 20, 1995), <u>Health Insurance for Children: Many</u> <u>Remain Uninsured Despite Medicaid Expansion</u> (GAO/HEHS-95-175, July 19, 1995), and <u>Uninsured and Children on Medicaid</u> (GAO/HEHS-95-83R, Feb. 14, 1995).

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- the number of poor, near-poor, and above near-poor children who were uninsured in 1989, 1993, and 1994;<sup>2</sup>
- the number and percentage of children on Medicaid or uninsured by state in 1994; and
- the number and percentage of children in families whose eligibility was due to federal mandates or state efforts to insure children who were outside the categories of federally mandated coverage for 1994, grouped by certain family characteristics.

We developed our estimates from an analysis of the Bureau of the Census' Current Population Survey (CPS) for March 1990 (for 1989), March 1994 (for 1993), and March 1995 (for 1994) and Census data on children under 18 years old from 1987 through 1994. We used the same methodology as in our earlier report, Health Insurance for Children: Private Insurance Coverage Continues to Deteriorate (GAO/HEHS-96-129, June 17, 1996). In that and previous reports, we matched children to a parent (18 to 64 years old) in their household (or to a related adult who served as a parent, such as a grandparent or a sister) then linked that parent to a spouse (if any). Overall, we matched about 98 percent of children to a parent, but we were able to match slightly smaller percentages of Medicaid children (97 percent) and uninsured children (96 percent). Table 3 presents our estimates of the total number of children in the United States on Medicaid or uninsured in 1994. Tables 4, 6, and 8 show the total number of children on Medicaid that we matched to a parent, which is smaller than the total number estimated in the United States. Note that CPS estimates of children from birth to 18 years old on Medicaid in calendar year 1994 are lower than Health Care Financing Administration (HCFA) enrollment numbers for fiscal year 1994 for eligible children under 21 years old or children who were covered by Medicaid for at least one day, whether or not they have used their Medicaid coverage to get medical services. HCFA enrollment numbers for eligible children are kept for different age ranges and for fiscal years rather

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<sup>&</sup>lt;sup>2</sup>Poor children are children in families with income at or below the Federal Poverty Income Guidelines. These guidelines set income levels by family size to determine poverty. In 1996, a family of three with income at or below \$12,980 would be considered poor. For this report, we examine poverty income for children in families with income at or below 100 percent of the federal poverty level (poor), between 101-150 percent of the federal poverty level (near-poor), and above 150 percent of the federal poverty level (above near-poor).

than calendar years. Even so, the CPS appears to underestimate the number of people on Medicaid, relative to HCFA data.

Our estimate of the number and percentage of children eligible for Medicaid by federal mandates or otherwise eligible (due predominantly to state expansions) is approximate. The CPS does not provide enough information to definitively determine eligibility status. For example, some family income can be disregarded from the calculations when states determine income thresholds for Medicaid eligibility, so more children may be in the federally mandated income ranges than we determined. Also, we could not definitively determine which children received Supplemental Security Income (SSI), which would make them categorically eligible for Medicaid in most states.<sup>3</sup> For that reason, more children are likely to be covered through federal mandate than we estimated and fewer are in the category of all other children on Medicaid. Our work was conducted between February and June 1996 in accordance with generally accepted government auditing standards.

## RESULTS IN BRIEF

Our estimates show that the number and percentage of uninsured children in 1994 were at their highest levels recorded since 1987.<sup>4</sup> In 1994, the percentage of poor and near-poor children who were uninsured exceeded the percentage among higher-income children. As we had previously reported,<sup>5</sup> expansion of Medicaid coverage for lower-income children had reduced the percentage of poor children uninsured between 1989 and 1993. However, between 1993 and 1994, the percentage of poor children who were uninsured increased. Children

<sup>5</sup>GAO/HEHS-95-175, July 19, 1995.

<sup>&</sup>lt;sup>3</sup>The SSI program provides cash assistance to aged, blind, and disabled persons (including children), depending on their income and age or level of disability.

<sup>&</sup>lt;sup>4</sup>This is when the Census began to measure health insurance coverage for children and adults through the CPS using a revised questionnaire.

above the poverty line had no significant loss in coverage.<sup>6</sup> Some states have a much higher percentage of uninsured children and of children on Medicaid.

Children are eligible for Medicaid for one of two reasons: federal mandates or optional state expansions of eligibility.<sup>7</sup> Our estimates show that about twothirds of Medicaid children fall within categories detailed in federal mandates, while another third are otherwise eligible—with most eligible due to state expansions. Federal mandates have covered children in poorer families, while state expansions have brought Medicaid coverage to more children above poverty and in lower-income working families. Among U.S. regions in 1994, the South had the highest percentage of children who were probably on Medicaid due to their states' efforts to expand coverage.

## RECENT TRENDS IN HEALTH INSURANCE FOR CHILDREN

As table 1 shows, the percentage of children with private health insurance coverage has declined since 1987, when the Census began measuring this trend through a revised questionnaire. The percentage who were uninsured has increased. Between 1993 and 1994, the percentage of poor children who were uninsured increased. In contrast, no significant change occurred in the percentage of higher-income children without insurance (see table 2). For a more detailed discussion of these trends, see GAO/HEHS-96-129, June 17, 1996.

## CHILDREN UNINSURED OR ON MEDICAID, BY STATE, 1994

States differed in the percentage of children who were uninsured or on Medicaid in 1994. Some states with relatively low percentages of uninsured children (under 10 percent), such as Illinois, Michigan, Missouri, Ohio, Tennessee, and Vermont, had high percentages of children on Medicaid (over 20 percent). Other states, such as Arizona, New Mexico, Oklahoma, and Texas, had both high percentages of uninsured children (over 20 percent) and children

<sup>7</sup>In addition to optional expansions for pregnant women and children, states have the option to cover other groups, such as the medically needy-people whose medical expenses are extremely high relative to their family income.

GAO/HEHS-96-174R Medicaid and Uninsured Children, 1994

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<sup>&</sup>lt;sup>6</sup>Due to some methodological changes in the March 1995 CPS, 1994 estimates of coverage may not be entirely comparable with 1993 estimates; however, the overall trend data as shown in table 1 generally appear to follow previous years' trends closely, except for Medicaid coverage, which decreased. For a more detailed discussion of the methodological changes and how they may have affected estimates, see GAO/HEHS-96-129, June 17, 1996.

on Medicaid (over 20 percent). Five states had over 30 percent of their children on Medicaid-Kentucky, Louisiana, Mississippi, Tennessee, and West Virginia-as did the District of Columbia (48.6 percent). (See table 3.)

## <u>CHILDREN'S ELIGIBILITY FOR MEDICAID DETERMINED</u> BY FEDERAL MANDATES AND STATE EXPANSIONS

Because each state designs its Medicaid program within broad federal requirements, individual state Medicaid programs vary, with different paths to eligibility for children. Federal mandates cover more of the lowest income children on Medicaid, while state efforts to expand coverage beyond federally mandated groups have increased the percentage of children with working parents who have Medicaid coverage.

Medicaid was enacted in 1965 to provide medical care coverage to families who receive Aid to Families With Dependent Children (AFDC) and to aged, blind, or permanently and totally disabled individuals whose income and resources are insufficient to meet the costs of necessary medical care. In 1972, separate public assistance programs for the aged, blind, and disabled were eliminated and SSI was established in their place. States were required to cover beneficiaries of AFDC and SSI,<sup>8</sup> who were referred to as categorically eligible for Medicaid. However, many lower-income children and pregnant women without health insurance did not qualify for Medicaid.

Beginning in 1986, the Congress passed a series of laws that expanded Medicaid eligibility for pregnant women, infants, and children. By July 1991, the Congress mandated coverage for pregnant women and infants with family income at or below 133 percent of the federal poverty level;<sup>9</sup> for children under 6 years old with family income at or below 133 percent of the federal poverty level; and for poor children—those beneath the federal poverty level—born after September 30, 1983. As they age, eligibility expands until all poor children up to 19 years old will be eligible for coverage—in October 2002.

<sup>&</sup>lt;sup>8</sup>However, some states are permitted to use more restrictive criteria than those of the SSI program to determine Medicaid eligibility for SSI recipients. States are also required to cover IV-E foster care and adoption subsidy recipients.

<sup>&</sup>lt;sup>9</sup>States that had raised eligibility for pregnant women and infants to a higher level (up to 185 percent of the federal poverty level) before Dec. 19, 1989, were required to maintain this level.

In addition, states have the option to expand coverage further for pregnant women, infants, and children—either by phasing in coverage for children faster than federal law requires or by increasing the income level for eligibility.<sup>10</sup> As of February 1996, 40 states had expanded coverage for pregnant women, infants, and children.<sup>11</sup> Most states expanded eligibility for children by allowing children with income higher than federally mandated levels to enroll.

#### FEDERAL MANDATES COVER MORE POOR CHILDREN

Federal mandates today require states to cover children under 6 years old with family income at or below 133 percent of the federal poverty level and poor children born after September 30, 1983–poor children who are currently under 13 years old. In addition, states are required to cover children who receive AFDC, SSI, or IV-E foster care or adoption subsidies. As a result, federal mandates predominantly cover poor and near-poor children on Medicaid, either because they are age- and income-eligible or otherwise categorically eligible. (See table 4.) Over 80 percent of poor children on Medicaid are covered by federal mandates. (See table 5.)

State expansions have helped many more children in working families get insurance through Medicaid. As table 6 shows, the percentage of children eligible through federal mandates with a working parent is lower than for all other children on Medicaid. Seventy percent of the children on Medicaid who have at least one parent working full-time are estimated to have gained eligibility through other than federal mandates. (See table 7.) The South has the largest number of children on Medicaid (see table 8) and it has the lowest percentage of children on Medicaid because of federal mandates.

#### AGENCY COMMENTS

We did not seek formal agency comments on this correspondence because it does not focus on agency activities. However, responsible officials within HCFA's Medicaid Bureau reviewed a draft of this correspondence and we incorporated their technical suggestions as appropriate.

<sup>11</sup>See National Governors' Association, <u>State Medicaid Coverage of Pregnant</u> <u>Women and Children: Winter 1996</u>, MCH Update (Washington, D.C.: National Governors' Association, Mar. 15, 1996).

<sup>&</sup>lt;sup>10</sup>States also have the option to cover other children—those who are medically needy and those up to 21 years old who meet state income thresholds for AFDC but do not meet categorical requirements.

As agreed with your office, we plan no further distribution of this correspondence for 15 days. At that time, we will make copies available on request.

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This information was prepared by Michael Gutowski, Sheila Avruch, Paula Bonin, and Douglas Griess. Should you have further questions regarding this information, please contact Sheila Avruch at (202) 512-7277.

Sincerely yours,

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Jonathan Ratner Associate Director, Health Systems Issues

Enclosure

## ENCLOSURE

	Private in	isurance	Medi	icaid	Uninsured	
Year	Number	Percent	Number	Percent	Number	Percent
1994²	46,266	65.6	16,132	22.9	10,003	14.2
1993 <sup>ь</sup> <sup>′</sup>	47,017	67.4	16,693	23.9	9,574	13.7
1992°	47,183	68.7	15,109	22.0	8,716	12.7
1992	46,514	69.3	14,481	21.6	8,335	12.4
1991	46,114	69.7	13,514	20.4	8,379	12.7
1990	46,436	71.1	12,094	18.5	8,504	13.0
1989	47,376	73.6	10,100	15.7	8,548	13.3
1988	46,944	73.5	9,961	15.6	8,350	13.1
1987	46,763	73.6	9,681	15.2	8,193	12.9

Table 1: Health Insurance Status of Children Under 18 Years Old, 1987-94, All Sources of Insurance Reported

Note: Rows may add to more than 100 percent because children with both private insurance and Medicaid will be counted in both categories. In any year, under 5 percent of children have other coverage, such as through the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS). Children with coverage other than private insurance or Medicaid and who are not uninsured are not counted in this table.

Changes in the data collection method, sample frame, or population weights can change estimates and make them less than completely comparable with previous years' estimates.

<sup>a</sup>Data collection method changed to entirely computer-assisted telephone interviewing and sample frame partially changed. Estimates between 1993 and 1994 may not, therefore, be entirely comparable.

<sup>b</sup>Data collection method partially changed to computer-assisted telephone interviewing. Estimates between 1992 and 1993 may not be entirely comparable.

<sup>9</sup>Implementation of 1990 census population weights that affected the estimates—see next estimate for 1992.

Source: Bureau of the Census.

	1989		1993		1994		
	Number	Percent	Number	Percent	Number	Percent	Percentage point difference 1993-94
Poor	3,539,759	25.0	3,397,385	20.1	3,683,671	22.3	2.2 <sup>b</sup>
Near-poor <sup>4</sup>	1,835,303	26.5	1,864,401	24.5	1,903,226	24.9	0.4
Above near-poor <sup>d</sup>	3,313,036	7.5	4,005,106	9.1	4,030,120	8.9	(0.2)

## Table 2: Children Without Health Insurance Coverage, by Poverty Level, 1989, 1993, and 1994

Note: Figures in each year are percentages of children who were uninsured for one entire year within each income group. Only children who matched to a parent were included in this table.

\*Poor families have incomes at or below 100 percent of the federal poverty level.

<sup>b</sup>Statistically significant at the 0.05 level.

"Near-poor families have incomes between 101-150 percent of the federal poverty level.

<sup>d</sup>Above near-poor families have incomes above 150 percent of the federal poverty level.

# ENCLOSURE

# Table 3: Children Uninsured or on Medicaid, by State, 1994

	Unins	ured	Medio	caid	Total in - state
State	Number	Percent*	Number	Percent*	Number
Alabama	222,033	19.5+/-5.4	195,776	17.2+/-5.1	1,141,188
Alaska	16,793	9.6+/-3.5	33,817	19.4+/-4.6	174,306
Arizona	249,051	20.6+/-5.2	258,804	21.4+/-5.2	1,207,003
Arkansas	109,141	18.7+/-5.6	112,906	19.4+/-5.7	582,869
California	1,726,447	19.6+/-2.0	2,578,577	29.2+/-2.3	8,818,265
Colorado	112,643	11.5+/-4.5	115,798	11.8+/-4.6	980,433
Connecticut	71,095	9.6+/-5.1	108,766	14.6+/-6.1	742,802
Delaware	14,845	10.2+/-5.2	27,303	18.8+/-6.7	145,595
District of Columbia	18,609	13+/-5.8	69,408	48.6+/-8.6	142,871
Florida	525,435	14.9+/-2.4	850,587	24.2+/-2.9	3,520,643
Georgia	306,288	15.3+/-4.6	417,027	20.8+/-5.2	2,006,740
Hawaii	17,890	7.5+/-4.3	39,523	16.6+/-6.1	238,720
Idaho	44,185	13.5+/-4.1	56,784	17.3+/-4.6	327,823
Illinois	303,164	9.5+/-2.1	754,653	23.6+/-3.1	3,202,717
Indiana	174,645	10+/-4.0	390,582	22.3+/-5.6	1,752,681
lowa	80,419	10.8+/-4.3	113,031	15.1+/-4.9	746,924
Kansas	51,362	7.5+/-3.5	119,548	17.5+/-5.1	682,470
Kentucky	124,412	12.5+/-4.7	317,068	32.0+/-6.6	992,109
Louisiana	202,400	16.2+/-5.1	419,973	33.7+/-6.5	1,247,471
Maine	31,657	11.4+/-5.0	48,861	17.6+/-6.0	278,165
Maryland	156,775	12.3+/-4.9	196,355	15.4+/-5.4	1,272,061
Massachusetts	134,681	9.4+/-2.3	251,412	. 17.5+/-3.0	1,439,705
Michigan	202,766	7.9+/-2.0	673,538	26.1+/-3.2	2,581,730
Minnesota	94,610	7.9+/-3.8	212,129	17.7+/-5.4	1,201,120
Mississippi	99,976	15.1+/-4.9	210,553	31.9+/-6.3	660,167

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	Unins	ured	Medi	caid	Total in state
State	Number	Percent	Number	· Percent*	Number
Missouri	104,833	8.8+/-4.4	282,665	23.8+/-6.7	1,188,143
Montana	21,238	9.6+/-4.0	42,425	19.3+/-5.4	220,388
Nebraska	42,739	8.9+/-3.6	47,105	9.8+/-3.7	479,134
Nevada	66,779	17.1+/-4.9	42,718	11.0+/-4.1	389,641
New Hampshire	36,498	13.2+/-5.6	44,234	16.0+/-6.1	276,814
New Jersey	213,410	10.4+/-2.3	365,387	17.9+/-2.8	2,045,780
New Mexico	130,160	26.1+/-5.4	137,838	27.7+/-5.5	498,373
New York	640,701	13.8+/-1.9	1,190,656	25.6+/-2.5	4,647,274
North Carolina	179,080	11.4+/-2.4	370,487	23.6+/-3.2	1,569,151
North Dakota	11,713	6.6+/-3.2	25,047	14.1+/-4.5	177,087
Ohio	301,707	9.8+/-2.1	670,805	21.9+/-2.9	3,064,405
Oklahoma	176,452	20.6+/-5.6	184,409	21.6+/-5.7	855,521
Oregon	88,724	10.7+/-4.5	193,356	23.3+/-6.2	829,665
Pennsylvania	320,389	11+/-2.4	576,795	19.8+/-3.0	2,917,207
Rhode Island	21,158	9.1+/-4.8	39,340	16.9+/-6.3	232,441
South Carolina	140,231	15.1+/-4.6	173,638	18.7+/-5.0	927,104
South Dakota	15,735	6.8+/-2.8	42,518	18.3+/-4.4	231,900
Tennessee	130,398	9.4+/-3.8	415,808	30.1+/-6.0	1,381,934
Texas	1,352,894	23.9+/-2.7	1,312,751	23.2+/-2.7	5,665,568
Utah	56,388	8.6+/-3.2	58,967	9.0+/-3.3	652,985
Vermont	7,362	4.8+/-3.3	31,317	20.4+/-6.2	153,764
Virginia	187,063	11+/-3.9	240,098	14.2+/-4.3	1,696,765
Washington	139,089	10.4+/-4.2	292,085	21.9+/-5.7	1,335,990
West Virginia	40,024	10.1+/-4.7	120,835	30.4+/-7.2	397,844
Wisconsin	81,848	6.2+/-3.2	176,381	13.4+/-4.5	1,320,201
Wyoming	19,081	13.4+/-5.2	16,896	11.9+/-4.9	142,492

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	Uninst	ıred	Medic	Totai in state	
State	Number	Number Percent*		Percent*	Number
Total United States	10,003,217 14.2+/-0.6		16,131,879 22.9+/-0.7		70,508,656

Note: State numbers and percentages are for children who matched with a parent. Therefore, they represent slight underestimates, since 97 percent of the children on Medicaid matched with a parent and 96 percent of uninsured children matched with a parent. Total U.S. numbers and percentages are estimates for all children in the United States, not just those who matched with a parent.

"Each reported estimate from the CPS has an associated sampling error, the size of which reflects the precision of the estimate. Sampling errors for percentage estimates were calculated at the 95-percent confidence level, which means that the chances are about 19 out of 20 that the actual percentage being estimated falls within the range defined by our estimate, plus or minus the sampling error. For example, we estimate that 14.2 percent of U.S. children are uninsured; a 95-percent chance exists that the actual percentage is between 13.6 and 14.8. Note that some of the confidence intervals for state estimates are large—for example, we estimate that 6.2 percent of Wisconsin's children were uninsured; a 95-percent chance exists that the actual percentage is between 3.0 and 9.4 percent.

		Federally mandated					•		
	Age- and income- eligible*		Other categorically eligible children <sup>6</sup>		All other eligible children <sup>e</sup>		Total		
Family income	Number	Percent	Number	Percent	Number	Percent	Number	Percent	
Poord	5,221,312	87.0	3,123,377	79.5	1,945,279	33.9	10,289,967	65.7	
Near- poor*	781,388	13.0	452,670	11.5	1,097,221	19.1	2,331,279	14.9	
Above near-poor <sup>r</sup>	O	0.0	354,029	9.0	2,692,061	46.9	3,045,090	19.4	
Total	6,002,700	100	3,930,076	100	5,734,561	100	15,667,337	100	

## Table 4: Eligibility Status of Children on Medicaid, by Poverty Level, 1994

Note: Numbers or percents may not add due to rounding.

Only children who matched with a parent were included in this analysis. These children represent 97 percent of the children on Medicaid in 1994 as estimated from the CPS.

Eligibility categories are mutually exclusive as defined (see below). However, the categories are approximate. We cannot exactly determine eligibility for Medicaid from information in the CPS, so some children may not be appropriately assigned to their eligibility group. For example, children may appear to have family income too high to be age- and income-eligible, but states might disregard some of their family income when determining eligibility. Also, some children who are categorically eligible because of receiving SSI could be included in the "All other eligible children" group.

\*Includes children who were age- and income-eligible in 1994 and either were under 6 years old with family income at or below 133 percent of the federal poverty level or were 6 through 12 years old with family income at or below poverty level. Children on Medicaid who were categorically eligible for Medicaid because they were receiving AFDC, other public assistance, or SSI within these ages and family incomes were included in this group.

<sup>b</sup>Includes any children under 18 years old receiving AFDC or other public assistance and are not included among the "Age- and income-eligible" group either because their family income was higher or because they were 13 years old or older.

Includes all children under 18 years old on Medicaid who were not categorically eligible because of receiving AFDC or other public assistance and (1) were under 6 years old with family income higher than 133 percent of the federal poverty level, (2) were 6 through 12 years old with family income above the

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poverty level, or (3) were over 12 years old. Most of these children are probably eligible due to state expansions—either age- and income-eligibility expansions, expansions to children who have family income no greater than AFDC levels but are not receiving cash assistance, or children who were medically needy. However, this category may also include children whose eligibility is federally mandated but whom we could not identify through the CPS, such as children over 12 years old receiving SSI.

\*Poor families have incomes at or below 100 percent of the federal poverty level.

"Near-poor families have incomes between 101-150 percent of the federal poverty level.

Above near-poor families have incomes above 150 percent of the federal poverty level.

	Federa	illy mandated		
Family income	Age- and income- eligible <sup>®</sup>	Other categorically eligible children <sup>b</sup>	All other eligible children <sup>e</sup>	Total
Poord	50.7	30.4	18.9	100
Near-poor*	33.5	19.4	47.1	100
Above near-poor <sup>4</sup>	0.0	11.6	88.4	100
Total	38.3	25.1	36.6	100

Table 5	Percent	of Children on	Medicaid a	t Different Poverty	levels h	Eligibility Status, 1	1004
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Note: Numbers or percents may not add due to rounding.

Only children who matched with a parent were included in this analysis. These children represent 97 percent of the children on Medicaid in 1994 as estimated from the CPS.

Eligibility categories are mutually exclusive as defined (see below). However, the categories are approximate. We cannot exactly determine eligibility for Medicaid from information in the CPS, so some children may not be appropriately assigned to their eligibility group. For example, children may appear to have family income too high to be age- and income-eligible, but states might disregard some of their family income when determining eligibility. Also, some children who are categorically eligible because of receiving SSI could be included in the "All other eligible children" group.

"Includes children who were age- and income-eligible in 1994 and either were under 6 years old with family income at or below 133 percent of the federal poverty level or were 6 through 12 years old with family income at or below poverty level. Children on Medicaid who were categorically eligible for Medicaid because they were receiving AFDC, other public assistance, or SSI within these ages and family incomes were included in this group.

<sup>b</sup>Includes any children under 18 years old receiving AFDC or other public assistance and are not included among the "Age- and income-eligible" group either because their family income was higher or because they were 13 years old or older.

Includes all children under 18 years old on Medicaid who were not categorically eligible because of receiving AFDC or other public assistance and (1) were under 6 years old with family income higher than 133 percent of the federal poverty level, (2) were 6 through 12 years old with family income above the poverty level, or (3) were over 12 years old. Most of these children are probably eligible due to state expansions—either age- and income-eligibility expansions, expansions to children who have family income no greater than AFDC levels but are not receiving cash assistance, or children who were medically needy. However, this category may also include children whose eligibility is federally mandated but whom we could not identify through the CPS, such as children over 12 years old receiving SSI.

<sup>d</sup>Poor families have incomes at or below 100 percent of the federal poverty level.

"Near-poor families have incomes between 101-150 percent of the federal poverty level.

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Above near-poor families have incomes above 150 percent of the federal poverty level.

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	<u> </u>	Federally	mandated					
	Age- and incom <del>e-</del> eligible*		Other categorically eligible children <sup>b</sup>		All other eligible children°		Total	
Work status	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Full-time all year <sup>d</sup>	1,082,453	18.0	331,119	8.4	3,332,859	58.1	4,745,431	30.3
Less than full-time all year <sup>e</sup>	2,164,223	36.1	1,251,505	31.8	1,554,037	27.1	4,969.766	31.7
Not working'	2,756,023	45.9	2,347,452	59.7	847,665	14.8	5,951,141	38.0
Total	6,002,700	100	3,930,076	100	5,734,561	100	15,667,337	100

## Table 6: Work Status of Parents of Children on Medicaid, by Eligibility Status, 1994

Note: Numbers or percents may not add due to rounding.

Only children who matched with a parent were included in this analysis. These children represent 97 percent of the children on Medicaid in 1994 as estimated from the CPS.

Eligibility categories are mutually exclusive as defined (see below). However, the categories are approximate. We cannot exactly determine eligibility for Medicaid from information in the CPS, so some children may not be appropriately assigned to their eligibility group. For example, children may appear to have family income too high to be age- and income-eligible, but states might disregard some of their family income when determining eligibility. Also, some children who are categorically eligible because of receiving SSI could be included in the "All other eligible children" group.

\*Includes children who were age- and income-eligible in 1994 and either were under 6 years old with family income at or below 133 percent of the federal poverty level or were 6 through 12 years old with family income at or below poverty level. Children on Medicaid who were categorically eligible for Medicaid because they were receiving AFDC, other public assistance, or SSI within these ages and family incomes were included in this group.

<sup>b</sup>Includes any children under 18 years old receiving AFDC or other public assistance and are not included among the "Age- and income-eligible" group either because their family income was higher or because they were 13 years old or older.

Includes all children under 18 years old on Medicaid who were not categorically eligible because of receiving AFDC or other public assistance and (1) were under 6 years old with family income higher than 133 percent of the federal poverty level, (2) were 6 through 12 years old with family income above the poverty level, or (3) were over 12 years old. Most of these children are probably eligible due to state expansions—either age- and income-eligibility expansions, expansions to children who have family income no greater than AFDC levels but are not receiving cash assistance, or children who were medically needy.

However, this category may also include children whose eligibility is federally mandated but whom we could not identify through the CPS, such as children over 12 years old receiving SSI.

Children with at least one parent who worked full-time for the entire year.

•Children with at least one parent who worked full-time for part of the year or who worked part-time for part or all of the year.

<sup>1</sup>Children whose parent or parents did not work at all during the year.

Table 7: Percentage of Children on Medicaid Within Parental Work Status Groupings, by Eligibility Status, 1994

Work status	Age- and income-eligible*	Other categorically eligible children⁵	All other eligible children <sup>c</sup>	Total
Full-time all year <sup>d</sup>	22.8	7.0	70.2	100
Less than ful⊢time all year⁰	43.5	25.2	31.3	100
Not working'	46.3	39.4	14.2	100
Total	38.3	25.1	36.6	100

Note: Numbers or percents may not add due to rounding.

Only children who matched with a parent were included in this analysis. These children represent 97 percent of the children on Medicaid in 1994 as estimated from the CPS.

Eligibility categories are mutually exclusive as defined (see below). However, the categories are approximate. We cannot exactly determine eligibility for Medicaid from information in the CPS, so some children may not be appropriately assigned to their eligibility group. For example, children may appear to have family income too high to be age- and income-eligible, but states might disregard some of their family income when determining eligibility. Also, some children who are categorically eligible because of receiving SSI could be included in the "All other eligible children" group.

\*Includes children who were age- and income-eligible in 1994 and either were under 6 years old with family income at or below 133 percent of the federal poverty level or were 6 through 12 years old with family income at or below poverty level. Children on Medicaid who were categorically eligible for Medicaid because they were receiving AFDC, other public assistance, or SSI within these ages and family incomes were included in this group.

<sup>b</sup>Includes any children under 18 years old receiving AFDC or other public assistance and are not included among the "Age- and income-eligible" group either because their family income was higher or because they were 13 years old or older.

Includes all children under 18 years old on Medicaid who were not categorically eligible because of receiving AFDC or other public assistance and (1) were under 6 years old with family income higher than 133 percent of the federal poverty level, (2) were 6 through 12 years old with family income above the poverty level, or (3) were over 12 years old. Most of these children are probably eligible due to state expansions—either age- and income-eligibility expansions, expansions to children who have family income no greater than AFDC levels but are not receiving cash assistance, or children who were medically needy. However, this category may also include children whose eligibility is federally mandated but whom we could not identify through the CPS, such as children over 12 years old receiving SSI.

<sup>d</sup>Children with at least one parent who worked full-time for the entire year.

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\*Children with at least one parent who worked full-time for part of the year or who worked part-time for part or all of the year.

Children whose parent or parents did not work at all during the year.

## ENCLOSURE

		Federally	mandated					
	Age- and eligi			All other eligible children <sup>e</sup>		Total		
Region	Number	, Percent	Number	Percent	Number	Percent	Number	Percent
Northeast <sup>d</sup>	1,009,080	16.8	900,020	22.9	747,667	13.0	2,656,767	17.0
Midwest	1,315,821	21.9	908,058	23.1	1,284,123	22.4	3,508,003	22.4
South'	2,136,569	35.6	1,170,678	29.8	2,327,734	40.6	5,634,980	36.0
West <sup>o</sup>	1,541,230	25.7	951,320	24.2	1,375,038	24.0	3,867,587	24.7
Total	6,002,700	100	3,930,076	100	5,734,561	100	15,667,337	100

#### Table 8: Children on Medicaid, by Region and Eligibility Status, 1994

Note: Numbers or percents may not add due to rounding.

Only children who matched with a parent were included in this analysis. These children represent 97 percent of the children on Medicaid in 1994 as estimated from the CPS.

Eligibility categories are mutually exclusive as defined (see below). However, the categories are approximate. We cannot exactly determine eligibility for Medicaid from information in the CPS, so some children may not be appropriately assigned to their eligibility group. For example, children may appear to have family income too high to be age- and income-eligible, but states might disregard some of their family income when determining eligibility. Also, some children who are categorically eligible because of receiving SSI could be included in the "All other eligible children" group.

<sup>a</sup>Includes children who were age- and income-eligible in 1994 and either were under 6 years old with family income at or below 133 percent of the federal poverty level or were 6 through 12 years old with family income at or below poverty level. Children on Medicaid who were categorically eligible for Medicaid because they were receiving AFDC, other public assistance, or SSI within these ages and family incomes were included in this group.

<sup>b</sup>Includes any children under 18 years old receiving AFDC or other public assistance and are not included among the "Age- and income-eligible" group either because their family income was higher or because they were 13 years old or older.

<sup>9</sup>Includes all children under 18 years old on Medicaid who were not categorically eligible because of receiving AFDC or other public assistance and (1) were under 6 years old with family income higher than 133 percent of the federal poverty level, (2) were 6 through 12 years old with family income above the poverty level, or (3) were over 12 years old. Most of these children are probably eligible due to state expansions—either age- and income-eligibility expansions, expansions to children who have family income no greater than AFDC levels but are not receiving cash assistance, or children who were medically needy. However, this category may also include children whose eligibility is federally mandated but whom we could not identify through the CPS, such as children over 12 years old receiving SSI.

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<sup>d</sup>Includes Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont, New Jersey, New York, and Pennsylvania.

<sup>•</sup>Includes Illinois, Indiana, Michigan, Ohio, Wisconsin, Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, and South Dakota.

<sup>f</sup>Includes Delaware, District of Columbia, Florida, Georgia, Maryland, North Carolina, South Carolina, Virginia, West Virginia, Alabama, Kentucky, Mississippi, Tennessee, Arkansas, Louisiana, Oklahoma, and Texas.

<sup>9</sup>Includes Arizona, Colorado, Idaho, Montana, Nevada, Utah, Wyoming, Alaska, California, Hawaii, Oregon, and Washington.

	Federally			
Region	Age- and income- eligible*	Other categorically eligible children⁵	All other eligible children <sup>e</sup>	Total
Northeast <sup>4</sup>	38.0	33.9	28.1	100
Midwest*	37.5	25.9	36.6	100
South <sup>1</sup>	37.9	20.8	41.3	100
West	39.8	24.6	35.6	100
Total	38.3	25.1	36.6	100

## Table 9: Percentage of Children on Medicaid, Within Regions, by Eligibility Status, 1994

Note: Numbers or percents may not add due to rounding.

Only children who matched with a parent were included in this analysis. These children represent 97 percent of the children on Medicaid in 1994 as estimated from the CPS.

Eligibility categories are mutually exclusive as defined (see below). However, the categories are approximate. We cannot exactly determine eligibility for Medicaid from information in the CPS, so some children may not be appropriately assigned to their eligibility group. For example, children may appear to have family income too high to be age- and income-eligible, but states might disregard some of their family income when determining eligibility. Also, some children who are categorically eligible because of receiving SSI could be included in the "All other eligible children" group.

\*Includes children who were age- and income-eligible in 1994 and either were under 6 years old with family income at or below 133 percent of the federal poverty level or were 6 through 12 years old with family income at or below poverty level. Children on Medicaid who were categorically eligible for Medicaid because they were receiving AFDC, other public assistance, or SSI within these ages and family incomes were included in this group.

<sup>b</sup>Includes any children under 18 years old receiving AFDC or other public assistance and are not included among the "Age- and income-eligible" group either because their family income was higher or because they were 13 years old or older.

<sup>4</sup>Includes all children under 18 years old on Medicaid who were not categorically eligible because of receiving AFDC or other public assistance and (1) were under 6 years old with family income higher than 133 percent of the federal poverty level, (2) were 6 through 12 years old with family income above the poverty level, or (3) were over 12 years old. Most of these children are probably eligible due to state expansions—either age- and income-eligibility expansions, expansions to children who have family income no greater than AFDC levels but are not receiving cash assistance, or children who were medically needy. However, this category may also include children whose eligibility is federally mandated but whom we could not identify through the CPS, such as children over 12 years old receiving SSI.

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<sup>d</sup>Includes Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont, New Jersey, New York, and Pennsylvania.

\*Includes Illinois, Indiana, Michigan, Ohio, Wisconsin, Iowa, Kansas, Minnesota, Missouri, Nebraska, North-Dakota, and South Dakota.

<sup>1</sup>Includes Delaware, District of Columbia, Florida, Georgia, Maryland, North Carolina, South Carolina, Virginia, West Virginia, Alabama, Kentucky, Mississippi, Tennessee, Arkansas, Louisiana, Oklahoma, and Texas.

<sup>9</sup>Includes Arizona, Colorado, Idaho, Montana, Nevada, Utah, Wyoming, Alaska, California, Hawaii, Oregon, and Washington.

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