

**WOMEN'S
POLICY
GROUP**

*Focus
Series*

Let's Fix PeachCare Now!

Every child should have health coverage.

PeachCare provides an essential support to children from lower-income families who cannot afford or lack access to private insurance.

As you know, Georgia's PeachCare for Kids program is facing a temporary \$131 million shortfall in federal funds. If the shortfall is not addressed, state officials say PeachCare for Kids will run out of funding by March 2007, and the 270,000 children in the program as well as future enrollees will lose their health care coverage.

A federal fix is likely, but may come too late to prevent the program from closing down in March.

Our delegation members assure us Congress intends to address the State Child Health Insurance Program funding shortfall. However, federal action may come too late to prevent children from losing their PeachCare health coverage for a period of time.

PeachCare is a program that works. Georgia must handle the current federal funding gap without making cuts to the program. The consequences to children whose parents cannot afford the costs of pediatrician visits or vital medications could be harsh.

Georgia has options. PeachCare families under a cloud of uncertainty could come under the umbrella of Medicaid. A simple policy change could bring all current S-CHIP recipients up to 150% of the federal poverty limit under traditional Medicaid and retroactively change the state Medicaid plan. The most cost effective option, this allows the state to still

draw down the higher S-CHIP federal match rate for these children.

Continue covering children above 200 percent of the federal poverty level. S-CHIP eligibility in sixteen states reaches above 200% FPL. Some states cover parents and even childless adults with their S-CHIP program and another 19 states apply income disregards or deduct work-related expenses to allow more families to participate. Consider \leq 235% FPL is \$48,528/yr. for a family of four.

High quality, comprehensive health insurance is an excellent investment. Children with health coverage are more likely to receive timely, appropriate care in the most cost-effective setting. Insurance coverage significantly influences the access and quality of health care that children receive.

Add your voice to the growing numbers asking Governor Perdue for his leadership to fix the PeachCare shortfall now. Ask him to move ahead to fill the PeachCare funding gap so that families will know their children's coverage can continue without cutting eligibility or benefits for the 273,000 enrolled children. Ask him not to let these children face the danger of going without insurance.

Thank you for your support in this matter of extreme importance to Georgia's children.

SOURCES: 2007 HHS Poverty Guidelines, *Federal Register*, Vol. 72, No. 15, January, 2007, pp. 3147-3148. CMS FY2006 SCHIP Enrollment data and approved waivers through 1/18/07. Center for Budget and Policy Priorities, Jan. 2007 survey data KCMU from the Kaiser Commission on Medicaid and the Uninsured located at www.kff.org/about/kcmu.cfm. GA Budget & Policy Institute article "Lack of Federal Funds Leaving PeachCare for Kids Program in Jeopardy." Jan. 2007 www.gbpi.org/pubs/healthcare/20070115.pdf.

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