

I am Paul Ronningen, State Coordinator for the Children's Defense Fund – North Dakota. I am also representing the North Dakota Economic Security and Prosperity Alliance (NDESPA).

Both organizations, are concerned about health care coverage for children from low-income families through the Children's Health Insurance Program. North Dakota is now recognized as having the lowest coverage for children in the United States at 160% of the federal poverty level.

Yet, North Dakota is in an era of unprecedented fiscal health. We believe our current situation is an opportunity to expand healthcare coverage to children in a way we would have been unable or unwilling to do before now. We urge this Legislative Assembly to increase the level of CHIP eligibility to 250%.

The range in coverage is North Dakota (lowest) at 160% of poverty while New York covers children from low-income families up to 400% of the federal poverty level. CHIP eligibility in surrounding states include:

- Iowa                      300% of poverty
- Montana                250 % of poverty
- South Dakota        200% of poverty
- Wyoming              200% of poverty

11 states cover families at 300 % of poverty or higher. The average level of eligibility is 245% of the federal poverty level.

You may hear some Legislators talk about North Dakota's disregards as an explanation for keeping our income eligibility so low. But, most states have disregards and many are the same from state to state. Our level of disregards in no way compensates for North Dakota's extremely low eligibility level. The fact is, that at 160%, North Dakota has the lowest eligibility in the nation.

### **Why expand health care coverage to more children?**

Compared to their insured peers, uninsured children are:

- Almost ten times as likely to have an unmet medical need
- More than eight times as likely to have delayed medical care due to cost;
- More than five times as likely to have an unmet dental need
- More than four times as likely to have gone more than two years without seeing a doctor
- Twice as likely to have gone more than two years without a dental visit
- Children without insurance are 60% more likely to die than their insured counterparts when needing hospitalization.

### **Investing in children's health is an investment in the future:**

- Studies show that increased life expectancy and improved health status results from covering children – in addition to productivity gains for future workers will yield cost-savings for society.
- Lack of health insurance has been shown to impact educational attainment, which in turn impacts income.

### **It costs less to cover children than any other group of people:**

- A year' coverage for a single working adult cost about three times what it costs to cover a child for the same length of time.
- Prevention and early care are cost-effective.
- Primary care doctor visits cost less than emergency rooms.
- Studies show children enrolled in CHIP miss fewer classes and demonstrate better school performance than when they were uninsured.

The federal government will match state dollar with three dollars invested in the Children's Health Insurance Program (\$3 Federal dollars to 1 state general fund dollar).

Under the new federal healthcare reform law, states are prohibited from falling below Medicaid and CHIP coverage levels that were in place when Federal Healthcare went into effect.) However, that does NOT mean states are prohibited from *increasing* eligibility.

It is also important to point out that under healthcare reform, Medicaid is expanded from 100% to 133% for children between the ages of 6-19, effectively moving some children currently covered by CHIP to Medicaid.

In summary, providing health care coverage to children from low-income families does several things. First of all, health care coverage is a tool for families to assist them in raising children who can become productive citizens of our state. It makes economic sense, it is cheaper to provide preventative care than incur the costs of unattended health issues.

North Dakota is in a period of economic prosperity where we can easily extend this coverage to our children. We understand the importance of being careful with the state's financial resources and no one wants to see North Dakota suffer the economic woes of other states. And we appreciate the care that is used in determining when increasing spending is justified.

However, we also understand that we have an opportunity before us. We can leverage federal dollars available to us and for a relatively nominal amount, cover more children, thus, reaping the reward of healthier and better educated children and, ultimately, a stronger adult workforce.

We need to make sure we take advantage of every opportunity presented by current fiscal situation so that we can maintain the strength and well-being we enjoy as North Dakotans.

Thank you.

*The Children's Defense Fund (CDF) is a non-profit child advocacy organization that has worked relentlessly for 35 years to ensure a level playing field for all children. We champion policies and programs that lift children out of poverty; protect them from abuse and neglect; and ensure their access to health care, quality education and a moral and spiritual foundation. Supported by foundation and corporate grants and individual donations, CDF advocates nationwide on behalf of children to ensure children are always a priority.*

*NDESPA is a non-profit, non-partisan coalition of advocacy and public policy organizations with a shared focus on the well-being of low- and moderate-income North Dakotans.*