

# THE AFFORDABLE CARE ACT: A MAJOR WIN FOR CHILDREN'S HEALTH



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**O**n March 23, 2010, President Obama signed into law comprehensive health reform legislation, the Patient Protection and Affordable Care Act (ACA) (P.L. 111-148, P.L. 111-152). This historic legislation moves America closer to the day when all kids, and all Americans, are able to get the health care services they need.

The ACA contains many provisions that will significantly improve health care access, coverage, quality, and outcomes for all children in America. Most important for children, the ACA:

**Extends CHIP:** In a major victory for kids, the ACA preserves and extends the successful Children's Health Insurance Program (CHIP) through September 30, 2019, with full funding provided through 2015. CHIP provides coverage for approximately 7 million low-income children whose parents earn too much to qualify for Medicaid, but not enough to purchase health insurance on their own. Preserving CHIP ensures that low-income children are able to continue to receive affordable, comprehensive, and high-quality health coverage.

**Eliminates pre-existing condition exclusions:** The law ensures that no child can be denied health care coverage based on a pre-existing condition. Parents of children with cancer, children born with a birth defect, children with asthma, and kids with special needs, among others, will be able to get coverage for their children because of the ACA.

**Eliminates lifetime limits:** The ACA precludes insurers from establishing annual and lifetime coverage limits on the dollar value of coverage. Beginning in 2014, insurers are barred from imposing annual limits on coverage, so if a child beats leukemia when she is age 8, she will still be able to get the care she needs if she faces another serious illness later in life.

**Simplifies enrollment measures:** The law requires a "No Wrong Door" approach to enrollment that will streamline the process for getting people enrolled in the coverage that best fits their circumstances, whether it's Medicaid, CHIP, or coverage in the new "health insurance exchanges" that were created by the ACA.

**Extends funding for outreach and enrollment grants:** The ACA extended the CHIPRA outreach and enrollment grant program, which was funded at \$100 million for FY 2009-2013, by providing an additional \$40 million and making the funds available through FY 2015. The purpose of these grants is to increase the participation of eligible children in both Medicaid and CHIP.

**Creates a child-only coverage option:** The ACA allows families to purchase child-only insurance packages in the new exchanges, ensuring that children being cared for by grandparents, children with parents whose employers do not offer dependent coverage, and children in mixed immigrant-status households are able to access coverage.

**Eliminates cost-sharing for preventive health services:** Already in effect, the ACA requires insurers to cover, at no cost, comprehensive screenings and preventive care for children as defined by the "Bright Futures" standards issued by the American Academy of Pediatrics, including well-child visits. It is estimated that 14.1 million children (ages 0-17) are no longer paying the cost of these basic preventive services.

**Extends dependent coverage:** The ACA allows parents to keep their dependent children on their health plan up to age 26. It is estimated that 2.5 million young adults gained health insurance since the dependent coverage expansion took effect in September 2010.

**Extends Medicaid for foster youth:** Beginning in 2014, the ACA provides Medicaid coverage to all foster youth below the age of 25 who were formerly in foster care for a period of six months or more.

**Establishes new oral health initiatives:** The ACA authorized an oral health prevention campaign, dental caries disease management, school-based dental sealant programs, and cooperative agreements to improve infrastructure and surveillance systems.

**Expands Medicaid eligibility:** In 2014, the ACA expands Medicaid to all individuals under age 65 with incomes of up to 133 percent of the federal poverty level (FPL). This provision will be enormously helpful for low-income parents who currently do not have access to affordable coverage.

**Makes coverage affordable for low-income families:** Starting in 2014, the ACA provides refundable and advanceable premium credits to families with incomes between 133-400 percent of the FPL to help buy insurance through the new health insurance exchanges.

**Supports school-based health care:** Already in effect and improving the availability of health care services in communities across the nation, the ACA established a \$200 million federal authorization program to support school-based health centers.

**Establishes a new prevention fund:** The ACA established a new Prevention Fund to provide more than \$16 billion in community-based support over the next 10 years to invest in effective, proven prevention efforts, like childhood obesity prevention and tobacco cessation.

**Supports home visitation:** The ACA included \$1.5 billion in mandatory funds for a new Home Visitation Grant Program. This program supports states efforts to develop and implement evidence-based maternal, infant, and early childhood visitation models.