MID - July 1997 SET 6T 1588ED

Policy Issues with Children's Health

Benefits:

- There are two options for using the benchmark: 2103(a)(1)(A) OR (B). (A) is a benefits standard, not an actuarial standard. Does this not give states flexibility? How would this be interpreted?
- FEHBP: Add vision and hearing
- State employee plans: Add vision, hearing, dental and preventive
- Most popular HMO: Add the same; probably more narrowly define (if needed).
- Grandfather: Narrow so applicable only to several states (NY, FL, PA)
- Cost sharing: Continue to check

Quality:

- Add to state plan requirements assurances that the state will put in place consumer protections

Accountability:

- Drop Family Coverage Waiver option. Could substitute for existing employer contribution. (P. 15)
- Add employer premium payments / contributions to definition of state share (p.
- Broaden eligibility limit for states that have already expanded.

Funding

- Ensure that funding stream increases over time so that states will not have to reduce coverage in each year (p. 9)
- Add mechanism to ensure that unused allotments are reallocated across states (p. 13)
- Do not use low-income uninsured children because (1) bad data; (2) gives less money to state that have an uninsured problem above 200% of poverty (p. 10)