



HUSKY Health Insurance Program is a Smart Investment

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Connecticut's HUSKY health insurance program provides low-cost or free health coverage to more than 300,000 children, parents, and pregnant women. HUSKY has markedly reduced the number of uninsured families in the state, is far less costly than commercial insurance plans, and is subsidized by the federal government. Connecticut receives 50 cents in federal matching funds for every dollar spent on HUSKY A (Medicaid) and 65 cents for every dollar spent on HUSKY B (SCHIP).

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Preventive care through HUSKY reduces costs for the entire health care system. It is well established that uninsured families often forgo preventive services. This leads to far more costly emergency visits and hospitalizations. These higher health care costs are shifted to providers, other areas of the budget, and low-income persons themselves. Visits to emergency rooms for conditions that could have been managed on an outpatient basis also can clog our emergency rooms, reducing the response time for those with true emergencies.

Many recent cuts in HUSKY coverage have been reversed, but some barriers remain in place. In 2005, the General Assembly renewed its support for the HUSKY program by restoring coverage to parents and other relative caregivers up to 150% of the federal poverty level (FPL). However, changes to the enrollment process during the latter half of 2005, have created new barriers to coverage. After steady growth since 1998, enrollment in the HUSKY program has declined significantly in recent months.

Compared to June 2005, enrollment in HUSKY A dropped by 10,000 (including over 7,000 children) and has not come back. Moreover, the anticipated implementation of new premiums and co-pays for parents authorized by legislation in 2005 will shift more costs to these low-income families. As a result, some families will not enroll or will forego needed health care.

Signing up for and keeping HUSKY coverage should be made easier for children. Connecticut should restore previously-enacted procedures that streamlined enrollment:

- Continuous eligibility, which would enable children to keep HUSKY coverage for one year, regardless of modest fluctuations in family income; and
- Electronic income verification (self-declaration of income), which would eliminate the need for families to provide paper proof of income and would reduce the administrative burden on Department of Social Services staff, who currently must collect the redundant paperwork.

All parents of children enrolled in HUSKY A should also be covered by HUSKY. Most uninsured parents are working, but either their employers do not offer health insurance or they work part-time and are not eligible for coverage. While children under 185% of the federal poverty level (FPL) can receive HUSKY A coverage, only parents under 150% of the FPL are able to get coverage. By aligning HUSKY A income eligibility for working parents and their children at 185% of the FPL, entire families could get coverage at the same income level. This would help keep parents healthy and able to work. Full family coverage would improve the likelihood that children would get all the health care they need, as well.