



Continuous Coverage for the First Years of Life

COVID Public Health Emergency Response and Beyond

Gaps in Coverage Disrupt Young Children's Care. Cycling on and off health insurance coverage—or churning—is disruptive to continuity of health care, and is especially problematic for young children who require frequent contact with the health care system.¹ To ensure healthy childhood development, the American Academy of Pediatrics recommends children receive 14 well-child visits by their fifth birthday.² These visits are critical for administering immunizations, as well as for tracking a child's developmental trajectory during this critical time in child development when 90 percent brain development occurs.³ Any disruption in coverage makes it likely that these important visits and screenings will be missed. Studies have shown that children who are uninsured for even short periods have reduced access to care and report more unmet health care needs than those with continuous coverage.⁴ In addition, churn disrupts a family's relationship with a pediatric health care home, an important source of consistent support for families particularly before children enter school.

Churn also creates disruptions for providers and health plans, which limit their ability to provide timely and effective care. It also increases unnecessary administrative costs for providers, health navigators, and counties (such as the costs associated with new presumptive eligibility screens, preparing new applications, and determining eligibility) as well as health care costs as people cycle back onto coverage after a gap.⁵

Medi-Cal Already Has Low Rates of Children's Preventive Care. A 2018 audit of Medi-Cal children's primary care showed preventive care utilization for one-year-olds was as low as 39% and for two-year olds, a dismal 24%.⁶ A more recent DHCS preventive care report found only 25% of children under age 3 in Medi-Cal managed care received necessary developmental screenings and only 26% received all their recommended well-child visits.⁷

Pediatric Care During the Pandemic Has Not Rebounded. During the current COVID pandemic, primary care has dropped significantly and pediatric care in particular has not yet returned to pre-pandemic utilization levels.⁸ Vaccinations have dropped off by 40 percent.⁹ That means that far fewer children are getting their necessary well-child visits and there is a huge backlog in children getting their scheduled vaccinations.

Continuous Coverage is the Foundation of Continuity of Care. Gaps in coverage, particularly in a child's early years, contribute to the historic and pandemic-related low rates of primary care for children. Conversely, ensuring continuous

¹ <https://www.communitycatalyst.org/resources/publications/churn-toolkit>

² <https://brightfutures.aap.org/families/Pages/Well-Child-Visits.aspx>

³ <https://developingchild.harvard.edu>

⁴ [https://www.academicpedsinl.net/article/S1876-2859\(15\)00061-3/pdf](https://www.academicpedsinl.net/article/S1876-2859(15)00061-3/pdf)

⁵ <https://www.jstor.org/stable/pdf/resrep25608.pdf>

⁶ California State Auditor, 2018-111 "Millions of Children in Medi-Cal are Not Receiving Preventive Health Services."

⁷ [Medi-Cal Preventive Care Utilization Report, DHCS 2020.](#)

⁸ [Commonwealth Fund, 2020.](#)

⁹ <https://www.cms.gov/newsroom/press-releases/cms-issues-urgent-call-action-following-dramatic-decline-care-children-medicare-and-childrens-health>

coverage—allowing children to keep their coverage without administrative renewals—can significantly contribute to improving continuity of care for young children. Continuous coverage reduces the risk of insurance disruptions due to procedural reasons like difficulties completing renewal processes and providing necessary documentation to stay enrolled.¹⁰ California adopted the federal option to provide 12-months of continuous eligibility in Medicaid for children in 2000,¹¹ which includes infants for their first year of life and then annual renewals up to age 18. Recent research finds that 12-month continuous coverage for children reduces the share of children experiencing gaps in coverage, increases those accessing preventive care, and reduces the share with unmet medical needs.¹²

Despite the 12-month eligibility that is available for young children in California, coverage lapses in the subsequent years in a child's life are still disruptive given the level of engagement families should be having with their child's health care home. A 2019 California survey shows that about 61,000 young children with Medi-Cal (ages 1-5) have had a gap in their coverage within the year.¹³ An older report (2006) examining Medi-Cal children's enrollment found 62% of Medi-Cal children remain covered after their annual renewal and only 50% remain continuously covered in Medi-Cal after 21 months of coverage.¹⁴

Opportunity—Budget Proposal

Continue the COVID PHE Continuous Coverage Policy for Young Children. Under the current national public health emergency (PHE), all Medi-Cal enrollees have temporary continuous enrollment. Currently, the federal PHE has been extended through at least December 2021. In budget year 2021-2022, California will be required to develop a plan to unwind the federal PHE Medicaid flexibilities and coverage protections when the PHE ends.¹⁵ As part of its plan to unwind the PHE Medicaid continuous enrollment requirement, the State 2021-2022 budget should retain the continuous coverage for children until their fifth birthday. Under this proposal, at the end of the PHE, the continuous coverage policy would continue for young children both for those already enrolled in Medi-Cal during the PHE but also those newly applying. As part of the State's PHE unwinding plan, DHCS would utilize any federal flexibilities offered as part of this federal unwinding guidelines and/or other opportunities to maximize federal Medicaid matching funds such as a waiver. Not only will this reasonably stage a smooth transition from PHE practices, continuous coverage for young children will help California effectively respond to Medi-Cal's historically very low preventive care rates for children. This action is more important now than ever given evidence that the pandemic has drastically reduced pediatric health care utilization even further.^{16 17 18}

12-Months Continuous Coverage for All Post-partum Medi-Cal Enrollees. After the temporary continuous enrollment during PHE, California should also continue to extend 12-month of coverage for all Medi-Cal postpartum beneficiaries, similar to the 12-month coverage recently extended to those with a maternal mental health condition. (See accompanying PostPartum factsheet). Also, similar to the continuous coverage for young children, this extended coverage would be part of the state's PHE unwinding plan and would leverage all federal flexibilities and opportunities for federal match. Perinatal insurance churn is common in California, and women may lose Medi-Cal coverage postpartum and be required to transition to Covered California. Despite the availability of premium subsidies, many may find the out-of-pocket costs unaffordable or they may have to change providers with a coverage transition, disrupting continuity of care and placing their health at risk.^{19 20}

¹⁰ <https://www.cbpp.org/research/health/continuous-coverage-protections-in-families-first-act-prevent-coverage-gaps-by>

¹¹ <https://www.chcf.org/wp-content/uploads/2017/12/PDF-ChildrensHealthCoverage2012.pdf>

¹² <https://www.cbpp.org/research/health/continuous-coverage-protections-in-families-first-act-prevent-coverage-gaps-by>

¹³ California Health Interview Survey for 2019.

¹⁴ Fairbrother, Gerry, "Stability and Churning in Medi-Cal and Healthy Families", Child Health Policy Center, Cincinnati Children's Hospital Medical Center, 2008

¹⁵ CMS State Health Official Letter on "[Planning for the Resumption of Normal State Medicaid...Upon Completion of the COVID-19 PHE](#)", December 2020.

¹⁶ <https://www.cdph.ca.gov/Programs/OPA/Pages/NR20-090.aspx#YourActionsSavesLives>

¹⁷ <https://www.commonwealthfund.org/publications/2020/oct/impact-covid-19-pandemic-outpatient-care-visits-return-prepandemic-levels>

¹⁸ <https://medium.com/rapid-ec-project/health-still-interrupted-pandemic-continues-to-disrupt-young-childrens-healthcare-visits-e252126b76b8>

¹⁹ <https://www.kff.org/womens-health-policy/issue-brief/expanding-postpartum-medicare-coverage/>

²⁰ <https://www.healthaffairs.org/doi/10.1377/hblog20200203.639479/full/>