



FIRST 5 CENTER FOR
CHILDREN'S POLICY



Continuous Coverage for the First Years of Life

Consistent access to health care helps California's young children grow up safe, healthy, and ready to succeed in school and life. The first years in a person's life present a unique opportunity to set them up for healthy outcomes. Ninety percent of brain development occurs during the first five years, a time when the American Academy of Pediatrics recommends children receive 14 well-child visits to administer critical preventive care like immunizations and track developmental milestones.^{1 2} However, gaps in coverage disrupt young children's care and can lead to children missing vital well-child visits and the chance to catch developmental concerns early.

Cycling on and off health insurance coverage—or churning—is disruptive to continuity of health care, and is especially problematic for young children.³ 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 particularly before children enter school. The COVID-19 pandemic has disrupted families' use of well-child visits, creating a dire situation for vulnerable children. The State should act to reverse the lack of access to preventive health care services among vulnerable young children, which has been exacerbated by the public health emergency, by extending continuous eligibility for the first five years of life.

Medi-Cal's Already Low Rates of Children's Preventive Care. A 2018 audit of Medi-Cal children's primary care showed preventive care utilization for 1-year olds was as low as 39 percent and for 2-year olds, a dismal 24 percent.⁵ A more recent DHCS preventive care report found that only 25 percent of children under age 3 in Medi-Cal managed care received necessary developmental screenings and only 26 percent received all their recommended well-child visits in the first 15 months of life.⁶

Reducing churn would improve Medi-Cal health plans' ability to provide all of the preventive services children are entitled to under federal law. Health plans with continuously enrolled children are better able to ensure they receive preventive care and meet quality metrics. Churn also increases unnecessary administrative costs for providers, health navigators, and counties (such as the costs associated with new presumptive eligibility screenings, preparing new applications, and determining eligibility), as well as health care costs as people cycle back onto coverage after a gap.⁷

Pediatric Care During the Pandemic Has Not Rebounded. During the current COVID pandemic, primary care dropped significantly and pediatric care in particular has not yet returned to pre-pandemic utilization levels.⁸ Vaccinations dropped off by 40 percent in April 2020 and 11 percent of California caregivers with young children were still experiencing vaccine postponement in

¹ <https://brightfutures.aap.org/families/Pages/Well-Child-Visits.aspx>

² <https://developingchild.harvard.edu>

³ <https://www.communitycatalyst.org/resources/publications/churn-toolkit>

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

⁵ California State Auditor, 2018-111 "Millions of Children in Medi-Cal are Not Receiving Preventive Health Services."

⁶ Medi-Cal Preventive Care Utilization Report, DHCS 2020.

⁷ <https://www.jstor.org/stable/pdf/resrep25608.pdf>

⁸ Commonwealth Fund, 2020.

July 2021.^{9 10} That means far fewer children received their necessary well-child visits, and it will take time for children to catch up on vaccinations and screenings missed over the last year and a half. Children who experience gaps in their health coverage will fall even further behind.

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 coverage—allowing children to keep their coverage without administrative hurdles – can significantly contribute to improving continuity of care for young children. Continuous coverage reduces the risk of insurance disruptions due to procedural reasons such as difficulties completing renewal processes and providing necessary documentation to stay enrolled.¹¹

Because Medi-Cal is the primary source of coverage for California's children of color¹², Medi-Cal can play a pivotal role in advancing equity by ensuring that BIPOC children can have a healthy start, beginning with ensuring their health coverage is stable and continuous. Even before the pandemic, long-standing, structurally racist policies and practices have created an environment where families of color experienced a significantly greater degree of volatility in employment, income, and housing. These economic and housing impacts heighten the risk of insurance churn and coverage loss,¹³ especially when combined with the additional administrative hurdles families face in enrolling in and renewing Medi-Cal as compared to other coverage, such as employer-sponsored insurance.

California adopted the federal option to provide 12-months of continuous eligibility in Medicaid for children in 2000,¹⁴ 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,¹⁵ increases those accessing preventive care, and reduces the share with unmet medical needs.¹⁶ Despite the 12-month continuous coverage protections available to Medi-Cal children in California, young children are still experiencing lapses in coverage early in their life, which is particularly disruptive given the level of engagement families should be having with their child's health care home. DHCS data on enrollment shows that about 9 percent of children from birth to age 5 have had a gap in their Medi-Cal coverage in 2019.¹⁷ That amounts to about 100,000 young Medi-Cal children having a disruption of their coverage.

Opportunity—Budget Proposal

Provide Multi-Year Continuity of Coverage for Young Medi-Cal Children. Under the current national public health emergency (PHE), all Medi-Cal enrollees have temporary continuous enrollment. California will take a year to “unwind” this temporary continuous coverage when the PHE ends, sometime after December 2021. In budget year 2021-2022, California should provide multi-year continuous coverage for children until their fifth birthday. Under this proposal, young children (ages 0-5) who are enrolled in Medi-Cal as well as those newly applying before age 5 would have continuous Medi-Cal coverage until their 5th birthday. 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.^{18 19 20}

⁹ <https://www.kidsdata.org/topic/2407/covid19-vaccines-postponed-current/table#fmt=2961&loc=2,2221,2222,2224,2223,2226,364,2225&tf=152>

¹⁰ <https://www.cms.gov/newsroom/press-releases/cms-issues-urgent-call-action-following-dramatic-decline-care-children-medicare-and-childrens-health>

¹¹ <https://www.cbpp.org/research/health/continuous-coverage-protections-in-families-first-act-prevent-coverage-gaps-by>

¹² <https://www.kidsdata.org/topic/735/medi-cal-monthly-enrollment-race/table#fmt=2337&loc=2&tf=108&ch=7,11,8,10,9,127,912&sortColumnId=0&sortType=asc>

¹³ <https://www.manatt.com/insights/newsletters/health-highlights/the-end-of-the-covid-19-phe-and-medicare-continuu>

¹⁴ <https://www.chcf.org/wp-content/uploads/2017/12/PDF-ChildrensHealthCoverage2012.pdf>

¹⁵ <https://www.macpac.gov/wp-content/uploads/2021/10/An-Updated-Look-at-Rates-of-Churn-and-Continuous-Coverage-in-Medicaid-and-CHIP.pdf>

¹⁶ <https://www.cbpp.org/research/health/continuous-coverage-protections-in-families-first-act-prevent-coverage-gaps-by>

¹⁷ <https://www.dhcs.ca.gov/dataandstats/Documents/Medi-Cal-Enrollment-Data-June-2021.pdf>

¹⁸ <https://www.cdph.ca.gov/Programs/OPA/Pages/NR20-090.aspx#YourActionsSavesLives>

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

²⁰ <https://medium.com/rapid-ec-project/health-still-interrupted-pandemic-continues-to-disrupt-young-childrens-healthcare-visits-e252126b76b8>