



2023 STATE BUDGET PRIORITY: Allow More Children Access to Healthcare Coverage

Recommendation:

Appropriate state matching funds to, as allowed under the federal Immigrant Children's Health Improvement Act (ICHIA), eliminate the 5-year waiting period for Medicaid and CHIP to extend healthcare coverage to 3,000 to 4,000 lawfully residing children, drawing down substantial federal support.

Background

- For over a decade, Michigan has had the ability to be more inclusive and enroll thousands more of the state's children in Medicaid and the Children's Health Insurance Program (CHIP) but has not yet opted to do so.
- These children are "lawfully residing," or lawfully present immigrants who meet Medicaid or CHIP state residency and income requirements, yet have lived in the United States for fewer than five years.
- The 2009 Children's Health Insurance Program Reauthorization Act (CHIPRA) gave states the Immigrant Children's Health Improvement Act (ICHIA) option to waive the five-year waiting period for Medicaid and CHIP for lawfully residing children (up to 21 years old), allowing them to access healthcare sooner.

Why Adopt the ICHIA Option?

- The ICHIA option would extend health insurance coverage to an estimated **3,000 to 4,000 lawfully residing children who would be newly eligible for Medicaid and CHIP**. Save for their immigration status, these children are otherwise eligible for the healthcare programs.

The ICHIA option would extend coverage to more Hispanic or Latinx children in particular:

Hispanic or Latinx children represent a large share of those who are themselves foreign-born or are a part of immigrant families.

Are doubly more likely to be uninsured in Michigan than children in other racial groups.

Are disproportionately more likely to qualify for Medicaid and CHIP coverage based on family income.

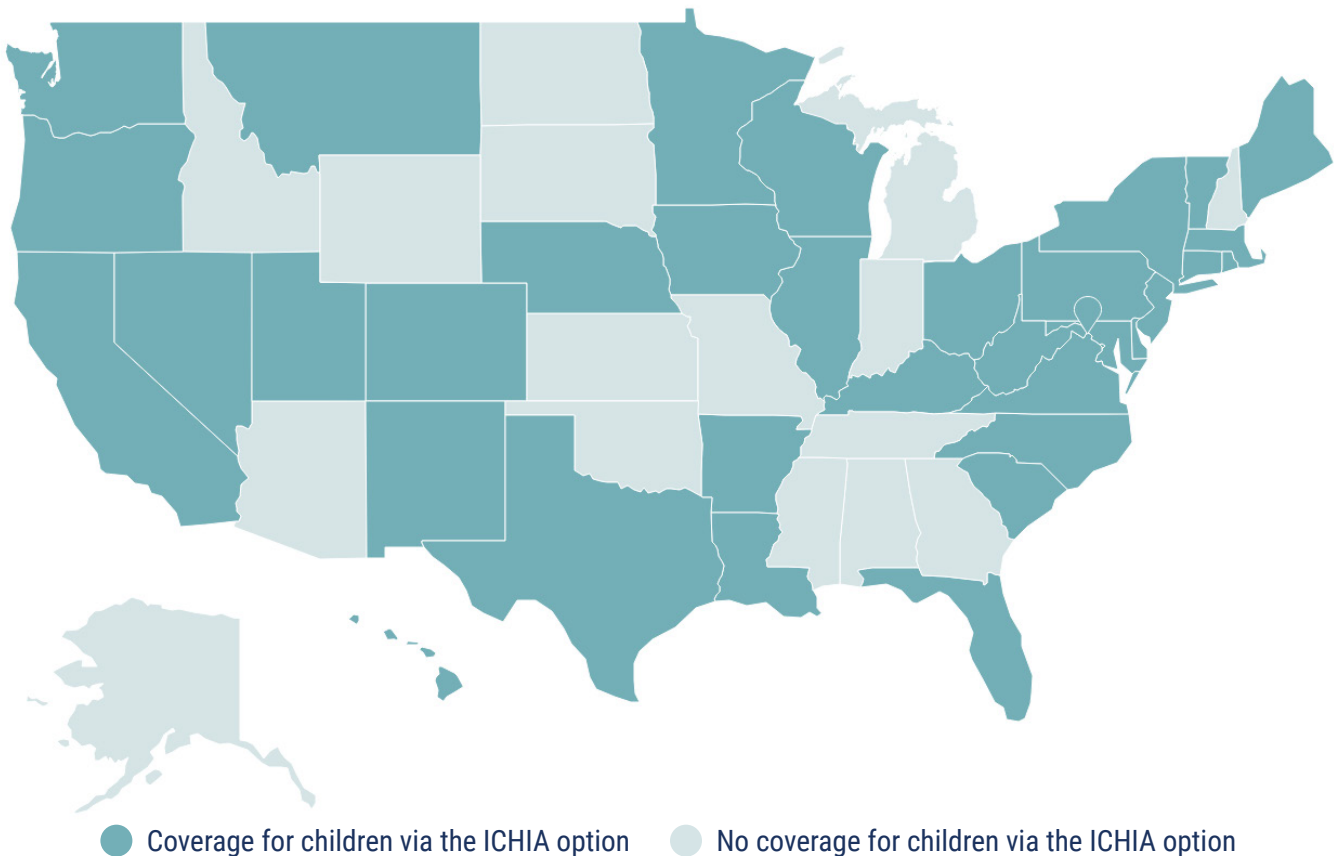
- **Medicaid and CHIP provide consistent, quality care** to children and support financial stability for families through low premiums and limited out-of-pocket spending.
 - **When families postpone children's healthcare because Michigan bars them from more comprehensive services, it is both harmful and costly.**
 - Currently, emergency Medicaid (Emergency Services Only) services are available to lawfully present children who are in the waiting period, but only for acute care needs.
 - Treating an illness later that could have been prevented or managed now costs our entire health system more down the line.
 - States that had extended Medicaid and CHIP coverage to lawfully residing children by 2011 saw a nearly 14% decrease in the probability of immigrant children experiencing any unmet need, while also improving access to consistent preventive care.

- Extending and funding coverage to 3,000 to 4,000 children through the ICHIA option would cost **under \$2 million in new state funding**, thanks to **substantial federal matching payments** at the Enhanced Federal Medical Assistance Percentage rate for CHIP and **savings on emergency Medicaid claims**.

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- **Michigan lags behind other states with its current law:** 35 states (including Washington D.C.) have already opted to allow eligible lawfully residing children to obtain Medicaid and CHIP coverage without a five-year wait. This number includes 6 out of 7 Great Lakes neighbors: Illinois, Minnesota, New York, Ohio, Pennsylvania and Wisconsin.

35 other states have adopted the ICHIA option to extend Medicaid and CHIP coverage to lawfully residing immigrant children without a five-year wait



Source: Kaiser Family Foundation. "State Health Facts: Medicaid/CHIP Coverage of Lawfully-Residing Immigrant Children and Pregnant Women." January 1, 2021. Retrieved from <https://www.kff.org/health-reform/state-indicator/medicaid-chip-coverage-of-lawfully-residing-immigrant-children-and-pregnant-women/>.

Call to Action:

Additional information on covering more of Michigan's children through the ICHIA option is available in the League's [full report and infographic](#).

Express your support for the ICHIA option and the need for Michigan to allow more children access to comprehensive healthcare coverage to the House and Senate Health and Human Services Subcommittees.