

Why GAO Did This Study

The 2010 Patient Protection and Affordable Care Act (PPACA) expands health insurance to millions of individuals, including many parents. New insurance options for parents raise a question about whether providing health insurance to parents benefits their children. The Children's Health Insurance Program Reauthorization Act of 2009 (CHIPRA) asked GAO to assess (1) the extent a parent's health insurance status is associated with a child's health insurance status, use of services, and parental satisfaction with their child's care; and (2) how selected states' parent coverage under Medicaid and CHIP may change given upcoming expansions. To examine the association between a parent's and a child's health insurance status, GAO analyzed data from 3 years of the Medical Expenditure Panel Survey (2005–2007), a nationally representative survey. GAO categorized parent and child health insurance status as private, public, or uninsured, and analyzed nine parent/child insurance combinations. GAO also analyzed relevant, peer-reviewed literature. To examine how states may change their Medicaid- and CHIP-funded parent coverage, GAO reviewed CHIPRA and PPACA, and interviewed officials from the Centers for Medicare & Medicaid Services (CMS) within the Department of Health and Human Services (HHS) and eight states with authority to cover parents in their Medicaid and CHIP programs as of CHIPRA's enactment. HHS provided technical comments, which GAO incorporated as appropriate.

View [GAO-11-264](#) or key components. For more information, contact Carolyn L. Yocom at (202) 512-7114 or yocomc@gao.gov.

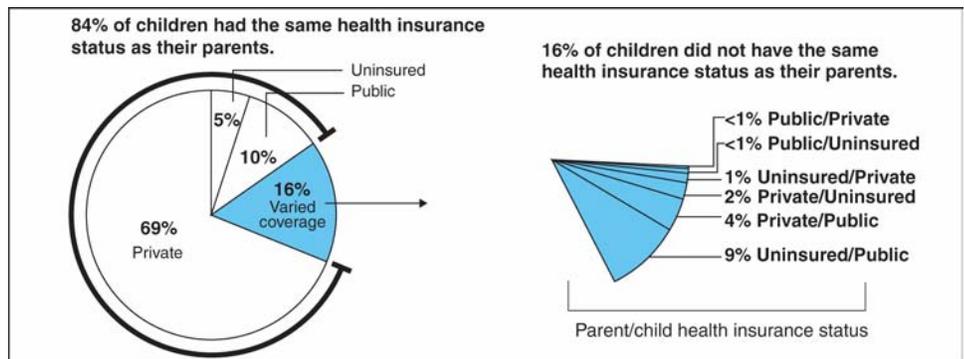
MEDICAID AND CHIP

Given the Association between Parent and Child Insurance Status, New Expansions May Benefit Families

What GAO Found

GAO's analysis of Medical Expenditure Panel Survey results found that children were more likely to have insurance if their parents had insurance and were more likely to be uninsured if their parents were uninsured. GAO's analyses further identified a strong association between a parent's health insurance status, defined as privately insured, publicly insured, or uninsured, and a child's health insurance status. Specifically, 84 percent of the children in GAO's analysis had the same insurance status as their parents, while 16 percent of children did not. (See figure below.) The association GAO identified remained despite variation in factors such as age and family income. However, a parent's insurance status was not consistently associated with a child's use of services or parental satisfaction with their child's care. In most cases, a child was equally likely to have used services, or to have received satisfactory care, regardless of the parent's insurance status.

Distribution of Parent/Child Health Insurance Combinations



Source: GAO analysis of 2005-2007 MEPS data.

Health insurance coverage expansions required under PPACA will prompt states to change parental coverage in Medicaid- and CHIP-funded programs, but the extent of state changes will vary. By 2014, PPACA requires states to extend Medicaid eligibility to most adults under 65, including parents, with incomes up to 133 percent of the federal poverty level (FPL); PPACA also requires the establishment of exchanges in each state through which parents and others who are not eligible for Medicaid can purchase health insurance. States' implementation of PPACA will depend on their unique circumstances, including the extent of the expansion of coverage necessary. However, the association between parents' and children's health insurance status could result in newly eligible parents enrolling their children in Medicaid. Similar expansions of parental coverage through the exchanges could also increase the number of insured children. CMS guidance will be critical to facilitate states' efforts to comply with these requirements.