

Department of Legislative Services
Maryland General Assembly
2008 Session

FISCAL AND POLICY NOTE

House Bill 1099 (Delegate Tarrant, *et al.*)
Health and Government Operations

**Task Force to Increase the Enrollment of Students in Medicaid and the
Maryland Children's Health Program**

This bill establishes a Task Force to Increase the Enrollment of Students in Medicaid and the Maryland Children's Health Program, staffed by the Maryland State Department of Education. The task force must report its findings and recommendations on or before July 1, 2009.

The bill takes effect July 1, 2008 and terminates June 30, 2010.

Fiscal Summary

State Effect: The bill's requirements could be handled with existing budgeted resources.

Local Effect: None.

Small Business Effect: None.

Analysis

Bill Summary: The task force is required to study strategies to monitor and ensure that public school students eligible for Medicaid or MCHP are enrolled in the appropriate program. In doing so, the task force has to invite all interested groups to present testimony or information concerning issues of study. The task force may consider strategies that include • a single application for free and reduced-price meals, Medicaid, and MCHP; • requiring public schools to mail Medicaid or MCHP applications to families eligible for free and reduced-price meals; and • requiring the Department of

Health and Mental Hygiene to report to local health departments the names of students eligible for free and reduced-price meals but not enrolled in Medicaid or MCHP for outreach purposes.

The task force must be chaired by the State Superintendent. Members of the task force

- may not receive compensation, but are entitled to reimbursement under standard State travel regulations; and
- have to reasonably reflect the geographic, racial, ethnic, cultural, and gender diversity of the State.

Current Law: The Medicaid program provides health care coverage to approximately 530,000 Marylanders. Eligibility is limited to children, pregnant women, elderly or disabled individuals, and indigent parents who pass certain income and asset tests. MCHP offers comprehensive health care coverage to low-income children younger than age 19 with family incomes that exceed the standard for Medicaid but are at or below 300% of federal poverty guidelines. Families with incomes above 200% FPG are enrolled in the MCHP premium plan and required to pay monthly premiums based on income. In fiscal 2008, approximately 113,000 children will be covered through MCHP.

Background: In fiscal 2006, Medicaid and MCHP served almost 400,000 (60%) of the estimated 660,000 Maryland children with family incomes at or below 300% FPG and more than one-quarter of all children in Maryland. MSDE reports that school system staff currently conduct significant outreach to students on behalf of Medicaid and MCHP.

A May 2007 study by the Kaiser Commission on Medicaid and the Uninsured found that awareness and understanding of Medicaid and State children's health insurance programs are uneven among low-income parents. Many low-income parents with uninsured children assume that Medicaid and SCHIP are "not for working families" and that their earnings are too high for their children to qualify.

The National School Lunch Program provides funding to enable schools to offer a nutritious school lunch. Children from families with incomes at or below 130% FPG are eligible for free meals. Those with incomes between 130% and 185% FPG are eligible for reduced-price meals, for which students can be charged no more than \$0.40. For the 2007-2008 school year, 219,727 Maryland children are enrolled to receive free lunches, while 64,721 are enrolled to receive reduced-price lunches. According to MSDE, it is unclear whether the Federal Educational Rights and Privacy Act would allow the disclosure of the identity of students eligible for free and reduced-price meals or information that would allow students to be identified as Medicaid-eligible for the purpose of enrolling them in a nonschool program.

Additional Comments: Exhibit 1 displays 2008 FPG by family size.

Exhibit 1
2008 Federal Poverty Guidelines

<u>Family Size</u>	<u>130% FPG</u>	<u>185% FPG</u>	<u>300% FPG</u>
2	\$18,200	\$25,900	\$42,000
3	\$22,880	\$32,560	\$52,800
4	\$27,560	\$39,220	\$63,600
5	\$32,240	\$45,880	\$74,400

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): *Enrolling Children in Medicaid and SCHIP: Insights from Focus Groups with Low-Income Parents*, Michael Perry and Julia Paradise, May 2007; Maryland State Department of Education; Department of Legislative Services

Fiscal Note History: First Reader - February 15, 2008
mcp/ljm

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