



Governor's Advisory Council for Exceptional Citizens (GACEC)
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MEMORANDUM

DATE: March 21, 2022

TO: The Honorable Members of the Delaware General Assembly

FROM: Terri Hancharick, Vice Chairperson
GACEC

RE: **House Bill No. 317 Cover All Delaware Children Act**

The Governor's Advisory Council for Exceptional Citizens (GACEC) has reviewed **House Bill No. 317**, which would provide medical coverage to children who reside in Delaware, regardless of their immigration status. These are children who are not eligible for Medicaid or other medical coverage. Council **supports** the proposed legislation.

The Department of Health and Human Services (DHSS) would create and operate the program to provide benefits that mirror the benefits of the Medicaid and Children's Health Insurance Program (CHIP). The coverage would be comprehensive and would include "hospital, medical, dental, and prescription drug benefits" (Section 530(c)). In essence, this Act creates a state funded insurance program for children whose immigration status of not being documented prevents them from being eligible for Medicaid. Upon passage and signing by the Governor, the coverage required by the Act would begin on January 1, 2023.

We applaud the intention to make health services available to all children, including those who are undocumented. All children, including those who are not documented or who have disabilities, should be insured in Delaware. The inevitable consequences of children going without preventative or critical health care will result in more significant health issues in the future. An investment in healthcare now will contribute to cost saving outcomes in the future, such as utilization of emergency rooms for primary care and forgoing care until a medical need becomes urgent.

Our concern is that if Delaware is committed to the availability of healthcare for all children, the benefit should be an entitlement rather than subject to funding decisions every year. As written, if funding is not adequate, difficult decisions will need to be made about which children can

access the benefits and which will have to be relegated to a waiting list. The program could be defunded, essentially eliminating the program without repealing the legislation. Also, if funding is not guaranteed, that will impact the delivery of services and the continuity of care.

According to the fiscal note attached to the bill, the Division of Medicaid and Medical Assistance (DMMA) estimated that there are 2,000 eligible children in Delaware who are not qualified for Medicaid or other health insurance programs. DMMA estimates that 1,000 children would be enrolled and covered in 2023, with the balance and total enrollment achieved in 2024 and 2025. Unfortunately, it will take approximately three years for all the children to be enrolled. This is not fast enough. Council recommends specific language in the bill to promote the program and facilitate enrollment. Moreover, there does not appear to be any consideration given to the cost and funding of the program if the number of undocumented children is higher than the DMMA estimate or increases in the coming years. The total cost of the program, including administrative costs, for 2023 (the inception year) is \$2,050,000.00. For 2024 the total cost is \$6,950,000. And for 2025, the total cost is \$7,310,000. These are estimates; however, if it turns out that they are inadequate to fully fund the program, the funding should be increased so that every child is covered.

Thank you for your time and consideration of our support of this proposed legislation. Please feel free to contact Pam Weir or me at the GACEC office should you have any questions on our comments.