



Keep Kids Covered Act

Background:

Continuous eligibility (CE) allows states to cover children in Medicaid and CHIP for a defined period of time without interruption, regardless of changes in circumstances.

Positive effects of health coverage, especially in a child's early years, include early detection of conditions through routine and comprehensive care, less chronic disease in adulthood, increased graduation rates, and reductions in mortality, emergency care usage, and hospitalizations.

According to the CBO, an additional year of childhood coverage improves labor outcomes in adulthood (higher future earnings and more productivity), which increases the return on investment, boosts the GDP, and has positive long-term fiscal effects.

Not only does continuous eligibility (CE) improve short- and long-term health outcomes, it reduces churn and financial barriers to care, promotes health equity, and is cost-effective for families and states.

The Threats of Republican Cuts to Medicaid and CHIP:

Half of all children (over 37 million) are enrolled in Medicaid and CHIP nationally.

Congressional Republicans' "One Big Beautiful Bill" puts children's health at risk. At President Trump's urging, Republicans are cutting \$1 trillion in funding for Medicaid, CHIP, and the Affordable Care Act and enacting policies that will strip coverage from millions of children.

The new law allows states to impose arbitrary, lock-out periods and annual & lifetime dollar limits on benefits for children enrolled in CHIP. The harmful legislation will jeopardize care for all children.

During the Medicaid "unwinding," nearly 5 million children lost their health coverage, a 10% national decline. Many were disenrolled due to procedural or administrative reasons, not because they were no longer eligible. The Republican Budget Bill's new bureaucratic barriers will have the same devastating results.

Congress enacted a 12-month CE protection for children under age 19 in Medicaid and CHIP that began on January 1, 2024. This policy has benefited more than 17 million eligible children in states that didn't previously have a 12-month CE policy. 13 states, including Colorado, currently have or are in the process of implementing multi-year CE coverage for children to lower costs and keep kids healthy. Now, President Trump wants to take that ability away.