

## Medicaid & CHIP Participation Among Rural & Urban Children

Jennifer King, BA, Rebecca Slifkin, PhD, Mark Holmes, PhD

### Public Health Insurance Programs Are Especially Important For Rural Children

Compared to urban residents, rural families have less access to job-based coverage and may be less able to afford non-group private plans. Medicaid and the Children's Health Insurance Program (CHIP) can help fill this gap. Nearly 40 percent of rural children were enrolled in these programs in 2005, compared to about one-third of urban children.<sup>1</sup> Still, about 1 in 10 children in both rural and urban areas remain uninsured—and many of them are eligible to enroll in Medicaid or CHIP.

When considering strategies to increase Medicaid and CHIP participation among qualified children, it is important to consider both the rate at which qualified children participate in the programs and the characteristics of children who are qualified but do not enroll. This brief summarizes findings on Medicaid/CHIP participation rates for children. A companion brief describes the characteristics of rural and urban children who are qualified for Medicaid or CHIP but not enrolled.<sup>2</sup>

#### KEY FINDINGS

- Medicaid/CHIP participation rates were slightly higher in rural areas in 2006-2007.
- Participation rates were highest in the Midwest and were particularly low in urban areas in the South.
- Participation rates were lower for children who were older than 13 or had family incomes above the federal poverty level.

### Rural Children Are Likely to Enroll in Public Insurance When They Are Eligible To Do So

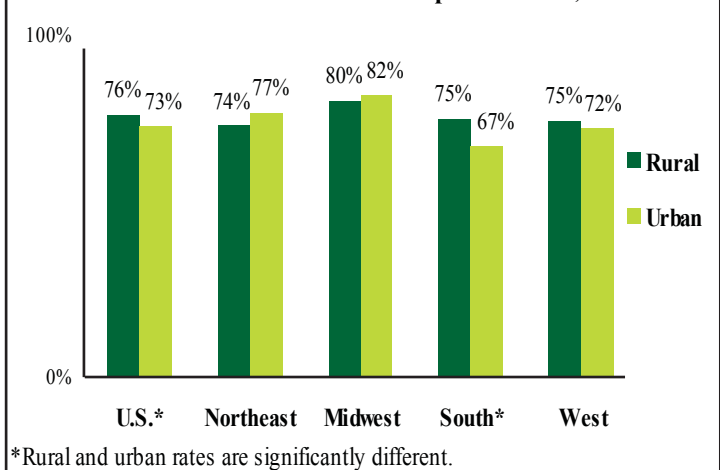
Nationally, about three-quarters of children who qualified for Medicaid/CHIP in 2006-2007 were enrolled. This rate was about 3 percentage points higher in rural areas than in urban areas. Patterns in participation rates varied across the country (figure 1).

Overall participation rates were highest in the Midwest. In the South, participation rates were particularly low in urban areas and were significantly higher in rural areas. In other regions, there was no statistically significant difference in rural and urban areas.

### Participation Rates Vary by Race and Ethnicity, Age, and Family Income

- **Race and ethnicity:** Among children who qualify for Medicaid or CHIP, Asian or Pacific Islander children and Hispanic children had lower-than-average participation rates.

**F1. Children's Medicaid/CHIP Participation Rates, 2006-2007**

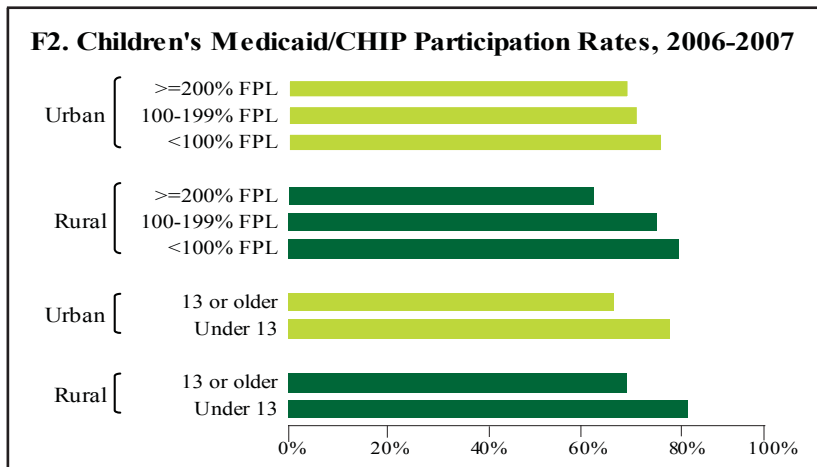


1. Maine Rural Health Research Center. Rural Coverage Gaps Decline Following Public Health Insurance Expansions. February 2009. Available at <http://muskie.usm.maine.edu/Publications/rural/pb/Rural-Public-Health-Insurance.pdf>.

2. NCRHR & PAC. FB #91. Characteristics of Rural & Urban Children Who Qualify for Medicare or CHIP But Are Not Enrolled. July 2009.

■ **Age:** Overall, the participation rate among children between the ages of 13 and 18 was about 11 percentage points ( $\pm 1.4$ ) lower than the participation rate for children younger than 13. This trend was present in both rural and urban areas (figure 2).

■ **Income:** Nationwide, participation rates for children decrease as income increases. Rates for those with income at or above 100% of the federal poverty level (FPL) were about 5 percentage points ( $\pm 1.6$ ) lower than participation rates for children with incomes below 100% FPL. This pattern was present in rural and urban areas (figure 2).



Although they make up a small portion of uninsured children who qualify for Medicaid or CHIP, children with incomes at or above 200% FPL had lower participation rates than those with lower incomes. The disparity in participation rates by income was especially large in rural areas; rural children with incomes greater than 200% FPL were about 16 percentage points ( $\pm 12.4$ ) less likely to be enrolled compared to children with lower incomes.

## CONCLUSION

Nationally, rural children who are eligible to enroll in Medicaid or CHIP do so at a slightly higher rate than children in urban areas, a finding that further demonstrates the importance of public health insurance programs for rural children. Nevertheless, in both rural and urban areas, substantial portions of children who qualify for Medicaid or CHIP are not enrolled. Children with lower-than-average participation rates include those in the South and West, in some racial and ethnic groups, older children, and children with incomes above 100% FPL. Strategies to increase Medicaid and CHIP participation should consider the characteristics of groups with relatively low participation rates while also targeting those groups that account for large numbers of the qualified-but-uninsured population (see companion Brief).

## METHODS

Data are from the 2008 and 2007 Current Population Survey (CPS) Annual Social and Economic Supplement. Incomes included that which would count toward determining Medicaid/CHIP eligibility. Income levels were compared to state Medicaid/CHIP eligibility thresholds to determine whether children qualified for the programs. “Participation rates” are the share of Medicaid/CHIP qualified children who were enrolled in either program at some point in the year, excluding children who were covered by another type of insurance in the year.

## CAVEATS

CPS measures of health insurance coverage, especially Medicaid coverage, are imperfect. Further, we did not have access to the full range of information that states consider when determining Medicaid/CHIP eligibility. Because of these limitations, the results presented here should be considered approximations that represent trends in participation rates, rather than definitive estimates of the share of qualified children enrolled in Medicaid/CHIP.