ADDITIONAL MATERIALS

Who's Counting?: What is crowd-out, how big is it, and does it matter for SCHIP?
August 29, 2007

Bansak, Cynthia, and Steven Raphael. "The Effects of State Policy Design Features on Take-Up and Crowd-Out Rates for the State Children's Health Insurance Program." Journal of Policy Analysis and Management 26 (2006): 149-175.

We evaluate the effects of state policy design on SCHIP take-up rates and on the degree to which SCHIP benefits crowd out private benefits. The results indicate overall program take-up rates of approximately 10 percent. However, there is considerable heterogeneity between states, suggesting a potential role of inter-state variation in policy design. Concerning the crowding out of private health insurance benefits, we find that between one-quarter and one-third of the increases in public health insurance coverage for SCHIP-eligible children is offset by a decline in private health coverage. We find little evidence that the policy-induced variation in take-up is associated with a significant degree of crowd-out, and no evidence that the negative effect on private coverage caused by state policy choices is any greater than the overall crowding-out effect.

Buchmueller, Thomas, Philip Cooper, Kosali Simon, and Jessica Vistnes. "The Effect of SCHIP Expansions on Health Insurance Decisions by Employers." Inquiry 42 (2005): 218-231.

This study investigates the effect of the State Children's Health Insurance Program on health insurance decisions by employers from 1997-2001. We find evidence suggesting that employers whose workers were likely to have been affected by these expansions reacted by raising employee contributions for family coverage options, and that take-up of any coverage, generally, and family coverage, specifically, dropped in these establishments. We find no evidence that employers stopped offering single or family coverage outright.

Davidson, Gestur, Lynn A. Blewett, and Kathleen T. Call. Public Program Crowd-Out of Private Coverage: What are the Issues? The Synthesis Project. The Robert Wood Johnson Foundation, 2004. 1-23.

This synthesis examines the evidence on crowd-out and its implications for future policies to expand coverage. It examines how crowd-out occurs, why measuring crowd-out is so difficult, prevalence rates, factors that influence the amount of crowd-out, effectiveness of policies aimed at limiting crowd-out, and policy trade-offs between expanding coverage and reducing crowd-out.

Hadley, Jack, James D. Reschovsky, and Peter Cunningham. "Insurance Premiums and Insurance Coverage of Near-Poor Children." Inquiry 43 (2006): 362-367.

This study estimates a multinomial logistic regression model examining how public and private insurance premiums affect insurance coverage outcomes. Higher public premiums are significantly associated with a lower probability of public coverage and higher probabilities of private coverage and uninsurance; higher private premiums are significantly related to a lower probability of private coverage and higher probabilities of public coverage and uninsurance. The results imply that uninsurance rates will rise if both public and private premiums increase, and suggest that states that impose or increase public insurance premiums for near-poor children will succeed in discouraging crowd-out of private insurance, but at the expense of higher rates of uninsurance. Sustained increases in private insurance premiums will continue to create enrollment pressures on state insurance programs for children.

Hudson, Julie L., and Thomas M. Selden. "Children's Eligibility and Coverage: Recent Trends and a Look Ahead." Health Affairs Web Exclusive, published online August 16, 2007. <http://content.healthaffairs.org/cgi/content/abstract/hlthaff.26.5.w618>

We used data from the 1996-2005 Medical Expenditure Panel Survey to track changes in children's public insurance eligibility and coverage. During the 2001-2005 "postexpansion" period, eligibility was approximately constant, while public enrollment increased rapidly and uninsurance declined. Nevertheless, as of 2005, 62 percent of all uninsured children (5.5 million) continued to be eligible but not enrolled. We present detailed estimates of their characteristics by age, income, race/ethnicity, health status, and nativity/citizenship. We also examine the impact of potential changes in SCHIP income thresholds--both an expansion and a rollback--and estimate the number and characteristics of the children potentially affected.

Hudson, Julie L., Thomas M. Selden, and Jessica S. Banthin. "The Impact of SCHIP on Insurance Coverage of Children." Inquiry 42 (2005): 232-254.

In this paper we use the Medical Expenditure Panel Survey between 1996 and 2002 to investigate the impact of the State Children's Health Insurance Program on insurance coverage for children. We find that SCHIP has a significant impact in decreasing uninsurance and increasing public insurance for both children targeted by SCHIP and those eligible for Medicaid. With respect to changes in private coverage our results are less conclusive.

Kenney, Genevieve, R A. Allison, Julia F. Costich, James Marton, and Joshua McFeeters. "Effects of Premium Increases on Enrollment in SCHIP: Findings From Three States." Inquiry 43 (2006): 378-392.

This study examines the effects of new and higher premiums on SCHIP enrollment in Kansas, Kentucky, and New Hampshire—three states that implemented premium changes in 2003. Premium hikes were associated with lower caseloads in all three states and with earlier disenrollment in Kentucky and New Hampshire. Premium increases appeared to have greater disenrollment effects for lower-income children in New Hampshire and for nonwhite children in Kentucky.

Zuckerman, Stephen, and Allison Cook. The Role of Medicaid and SCHIP as an Insurance Safety Net. The Urban Institute. The Robert Wood Johnson Foundation, 2006. 1-5.

This data brief explores how well Medicaid and SCHIP actually protected health insurance coverage for low-income children in comparison to low-income adults. Uninsurance rates for children fell between 2000 and 2004, despite the fact that ESI was in significant decline. For adults, uninsurance rates increased, driven by the decline in ESI. Although there was a modest increase in state-administered public coverage for adults, neither Medicaid nor SCHIP served as the coverage safety net for adults as it did for children.