



The Children's Health Insurance Program (CHIP) and Oral Health

(Updated on November 27, 2017)

Federal funding for the CHIP program expired on Sept. 30, 2017. Several states are already making plans to alert families or “freeze” their CHIP programs if funding isn't extended soon.¹ Losing dental coverage through CHIP has serious implications because children's oral health can have a long-term impact on their lives.² In addition to federal policies that make private insurance more accessible and affordable, public dental coverage for kids — through Medicaid and CHIP — has made a powerful impact on improving the health of America's children. In fact, Medicaid and CHIP have played a major role in reducing unmet dental needs, and creating more opportunities for cost-effective preventive care.^{3,4}

CHIP fills a crucial gap for children who do not qualify for Medicaid, but whose families would struggle to afford other coverage. These achievements are something to celebrate and preserve. Unfortunately, without continued federal funding for CHIP, many children will lose coverage, and the health of American families will be compromised.

1. What is CHIP?

- CHIP provides comprehensive medical and dental coverage for children from families who do not qualify for Medicaid, but cannot afford private coverage on their very limited incomes. In 2016, 8.9 million children were covered by CHIP. That's more than 1 in 8 children in the US.⁵
- CHIP was introduced in 1997 by Senators Orrin Hatch and Edward Kennedy as an

effort to shrink the number of uninsured children in the United States. Senator Hatch explained the reasoning behind the effort by pointing out that without coverage, “children are being terribly hurt and perhaps scarred for the rest of their lives.”⁶

- State CHIP programs are supported with federal block grants. States receive 65% to 85% of CHIP program costs from these block grants.⁵
- CHIP coverage is significantly less costly for families than equivalent private insurance, especially when comparing out-of-pocket costs.⁷
- CHIP was last reauthorized in the Medicare and CHIP Reauthorization Act of 2015, which assured the federal portion of funding would continue through the end of September 2017. Without Congressional action to continue funding, states will have to find new funding sources immediately or they will be forced to restrict eligibility or take other drastic actions that could undermine kids access to care.⁸

2. CHIP's role in combating tooth decay

- **Tooth decay, or *dental caries*, is the most common chronic disease of children and teens.** Tooth decay is four times more common than asthma among teens. By age 5, nearly one in four children (23%) has experienced a dental cavity. By their teens, roughly half of kids have had a cavity.⁹

- **CHIP children receive care and avoid unmet needs.** Research shows that Senator Hatch’s concerns were correct. An evaluation of CHIP found that compared to their uninsured peers, children covered by CHIP are more likely to have a “usual source of care, including dental care,” more likely to have preventative doctor and dentist visits, and less likely to report unmet medical and dental care needs.^{8,10}
- **CHIP dental coverage eliminates barriers to care.**
 - While dental coverage for children is required to be offered in marketplaces, not all medical plans include dental insurance. And in many states, parents are not required to purchase dental coverage for their children. Lacking coverage can pose a barrier to care.
 - Even with private coverage, the high premiums and cost-sharing of dental plans can present obstacles to care, especially for lower income families.¹¹
 - State CHIP programs have required dental coverage since 2009’s CHIPRA reauthorization, so children covered by CHIP automatically receive dental coverage, including CHIP’s cost sharing protections — making care much more accessible.^{10, 11}
- **CHIP coverage protects families from medical debt.** Similar to Medicaid, CHIP programs include some cost-sharing (or out-of-pocket fees for care) but with strict protective limits. This enables families to focus on getting children necessary care, rather than trying to cut or delay costs. In fact, recent research shows that families with children suffering from chronic conditions were confronted with significantly higher out-of-pocket costs

when switching from CHIP to private insurance.¹² Furthermore, disenrolling low-income children from public programs, like CHIP, costs communities more in the long-term because more kids are likely to obtain care in hospital emergency settings — one of the worst, and most expensive, places to treat a dental problem.¹³

3. CHIP is a smart investment worth continuing

Public insurance coverage, especially for oral health, is a good investment in America’s future:

- **Losing CHIP could hurt kids’ school performance.** Children with poor oral health are nearly 3 times more likely to miss school due to dental pain. Children with recent dental pain are nearly 4 times more likely to earn below-average grades. On the other hand, a 2016 study found strong evidence that “health insurance coverage for low-income children increases the rate of high school completion and college completion,” which can help make these children more employable adults.^{14, 15}
- **Disruption in federal funding for CHIP limits access to dental coverage and care, hurting Americans’ long-term employment and earnings potential.** Studies indicate that the condition of someone’s teeth shapes how employers perceive their intelligence and professionalism — factors that impact their employability.¹⁶ In fact, good oral health may increase annual earnings by up to 5%.¹⁷ More generally, public insurance coverage in childhood is associated with higher lifetime earnings and higher lifetime tax contributions, particularly for women.¹⁸

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