

# 2023 CONSENSUS LEGISLATIVE AGENDA UNITED WAY OF FLORIDA



## Child Health Care

KidCare is the umbrella name used for Florida's child health insurance programs. Eligibility for these programs varies by age of the child, household income and monthly, per-child, premium.

Children birth-1, under 200% of the Federal Poverty Level (FPL), and other children 1- 18, up to 133% of FPL are eligible for Medicaid for Children with no monthly premium. Children 1+, between 133% and 200% FPL, are eligible for KidCare with either a \$15 or \$20 monthly premium. The premium increases to at least \$210.18 per child, per month, once the family's income crosses the 200% FPL threshold.

This drastic premium increase, triggered by a comparably slight increase in income, is an example of a fiscal cliff. A fiscal cliff occurs when a family's income exceeds the eligibility limit for a program and are eliminated from eligibility for government subsidy for the program

### KidCare Supports ALICE Family Stability

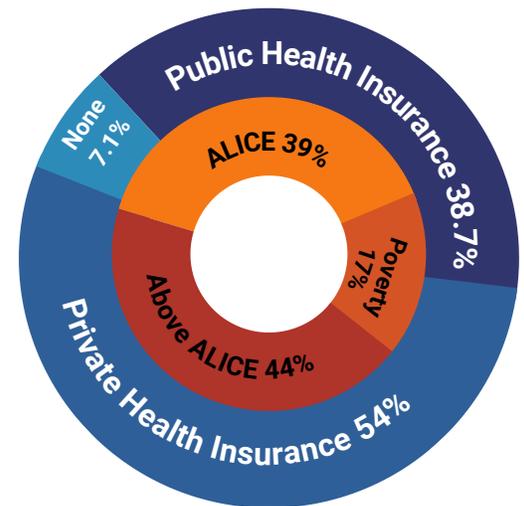
ALICE families are those earning above 100% of the Federal Poverty Level but below the ALICE Threshold for their community. They are less likely to receive employer-sponsored health care and they are more likely to have children under 5-years-old. For low-wage families that qualify for state subsidized programs like KidCare, taking a higher-wage job can mean a loss of health insurance for their children.

When an ALICE worker has to choose between career advancement or maintaining enrollment in a subsidized program like KidCare for their children, their long-term financial stability and economic mobility is jeopardized. Using data-driven tools like the Federal Reserve Bank of Atlanta's CLIFF Planner, some communities have created programs that provide wraparound supports, providing support for employees who are experiencing temporary deficits in their net resources because of career advancement. Wraparound supports could include assistance for child care, housing, health insurance or other temporary needs.

### Why Now?

The constitutionally mandated annual increase of the minimum wage, until it reaches \$15/hr in 2026, has intensified the conversation around fiscal cliffs from the individual to a systemic issue. In 2021, when wages increased to \$10/hr, 2.1 million Floridians received a wage increase. With fewer than 10 million people in the workforce, this increase represents a wage increase on an annual basis for at least 20% of working Floridians. While a fiscal cliff has always been present in the KidCare program, minimum wage workers with children will now be faced with a loss of health insurance annually until the fiscal cliff is mitigated.

### Health Insurance and Florida's ALICE Children



### PROPOSED CHANGES

Florida's United Ways urge the Florida Legislature to:

- ELIMINATE the fiscal cliff in eligibility for Florida's child health insurance programs by adopting a tiered-premium structure aligned with increasing household wages.
- INCREASE the income threshold to 300% of the Federal Poverty Level for children 0-4 and 250% for children 5-17.
- FUND a pilot program testing the success of wraparound supports to assist families phasing out of state-funded programs.