



## POLICY RECOMMENDATIONS

- ▶ **Policymakers should adopt healthcare reform that ensures quality and affordable health care for low- and moderate-income families.**

*Every American deserves affordable and accessible healthcare. In Arkansas, we will soon provide excellent health coverage for children up to 250 percent of the federal poverty line because of our recent expansion of ARKids First.*

The latest information about the likely Senate Finance Committee bill is that it does not provide this level of support to our children and families. Some young children currently eligible for Medicaid would no longer qualify given the new proposed income limit of 133 percent of poverty without income disregards. We cannot break our promise. Congress must build on and strengthen the successful Medicaid and Child Health Insurance Program (CHIP) programs, which are designed to protect the needs of low-income children and our most vulnerable families in Arkansas. Any group that currently qualifies for Medicaid must be able to obtain coverage. Also, all current and newly-eligible groups should keep their coverage for a full year before having to re-apply, in order to avoid gaps that could leave families without any coverage. To improve access to Medicaid, we must also improve provider reimbursement by giving providers 100 percent of the Medicare rate, or higher as necessary, to bring provider participation up to the levels available to people in private plans.

A plan should also ensure affordability and access to health care. A substantial body of research shows that even modest out-of-pocket costs cause low-income people to forgo needed care. To protect low- and moderate-income people, Congress should ensure that they have adequate subsidies for families up to 400 percent of the federal poverty line. The subsidies would be on a sliding scale, so families at the top of this range would pay for most of their health care, but would still receive the modest help they need to afford coverage. That currently costs an average family around \$13,000 a year. Moreover, Congress should remove enrollment and re-enrollment barriers by reducing red tape and bureaucratic barriers to move more than 50,000 uninsured children one step closer to getting the care they need.

Finally, because children have unique developmental needs, benefit plans offered through the Exchange should recognize the importance of child development. Early, Periodic Screening, Diagnosis and Treatment (EPSDT) should be guaranteed for children at higher income levels up to 275 percent of the federal poverty level. Also, preventive, oral, and mental health services should be part of any benefit package. Last but not least, reform must establish, strengthen, and track child health outcomes and hold systems accountable for ensuring services are of the highest quality.

- ▶ **Policymakers should protect low, moderate, and middle-income consumers from higher energy prices in climate change legislation.**

*Fighting global warming requires policies that significantly restrict greenhouse gas emissions and protect low and moderate-income families from the higher energy prices that will result from climate change legislation.*

A cap-and-trade system can serve this purpose, but forcing reductions in energy utilization will cause the price of energy-related products to rise. As a result, the costs of food and gas and other products will increase, disproportionately squeezing the household budget of low- and moderate-income Arkansans. Middle-income households will feel the squeeze as well. A portion of the revenue raised from the auction of the permits should be used to fully protect low-, moderate-, and middle-income Arkansans through direct consumer relief, not through utility companies.

Policymakers in the Senate must improve upon the House proposal in order to fully protect the most vulnerable households. The Senate should provide consumer relief in the form of refundable energy or climate tax credits for low-, moderate-, and middle-income households and through funds added to the existing Electronic Benefit Transfer system, which states already have in place for very low-income households so they are also protected from the increase in energy costs. This combined protection will fully protect some of Arkansas's most vulnerable and stressed households.