



STATE OF DELAWARE
STATE COUNCIL FOR PERSONS WITH DISABILITIES
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The Honorable John Carney,
Governor

John McNeal, Director
SCPD

MEMORANDUM

DATE: April 5, 2022

TO: All Members of the Delaware State Senate
and House of Representatives

FROM: Ms. Terri Hancharick, Chairperson *TH*
State Council for Persons with Disabilities

RE: HB 317 (Cover All Delaware Children Act)

The State Council for Persons with Disabilities (SCPD) has reviewed H.B. 317 which would provide medical coverage to children who reside in Delaware, regardless of immigration status, and who are not eligible for Medicaid or medical coverage. Part of the coverage would be comprehensive and include “hospital, medical, dental, and prescription drug benefits.” This Act creates a state funded insurance program for children whose immigration status of not being documented prevents them from eligibility for Medicaid. SCPD strongly endorses this bill, but recommends that language be included in the bill to promote the program and facilitate enrollment with consideration toward funding. SCPD has the following observations and concern.

All children, including those that are not documented or that have disabilities, should be insured in Delaware. The inevitable consequences of children going without preventative or critical health care will result in more significant health issues in the future. An investment in health care now will contribute to cost saving outcomes in the future, such as utilization of emergency rooms for primary care and forgoing care until a medical need becomes urgent.

There is a concern regarding the creation and operation of the health program that is dependent upon annual appropriations. To achieve the purpose of the Act, the program must be funded fully and become an entitlement. If the program is subject to appropriations each year, it could be defunded, essentially eliminating the program without repealing the legislation. If the program is only partially funded, the program would be forced to implement some means to limit cost, such as capping individual coverage or utilizing a waitlist. Those measures would result in an inequitable administration of benefits and defeat the purpose of the Act, which is to fully cover all children in Delaware.

On March 1st, a fiscal note prepared by Victoria Brennan, Office of the Controller General, was attached to the bill. According to the note, the Division of Medicaid and Medical Assistance (DMMA) estimated that there are 2000 eligible children in Delaware that are not qualified for Medicaid or other health insurance programs. DMMA estimates that 1,000 children would be enrolled and covered in 2023, with the balance and total enrollment achieved in 2024 and 2025. Unfortunately, it will take approximately three (3) years for all the children to be enrolled. Moreover, there does not appear to be any consideration given to the cost and funding for the program if the number of undocumented children is higher than the DMMA estimate or increases in the coming years. The total cost of the program, including administrative costs, for 2023 (the inception year) is \$2,050,000.00. For 2023 the total cost is \$6,950,000 and for 2025, the total cost is \$7,310,000. These are estimates; however, if it turns out that they are inadequate to fully fund the program, the funding should be increased so that every child is covered.

Thank you for your consideration and please contact SCPD if you have any questions or comments regarding our position or observations on the proposed legislation.

cc: Ms. Laura Waterland, Esq.
Governor's Advisory Council for Exceptional Citizens
Developmental Disabilities Council

HB 317 [Cover All Delaware Children (4-5-22)]