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Economic Downturn Threatens Oregon Kids' Health Coverage

(Silverton) — More than one out of nine children in Oregon lack health care coverage, a situation that is likely to worsen in the current economic downturn absent government action, according to a new report out today.

The report by Families USA, a national non-profit that advocates on behalf of health care consumers, estimated that 107,000 Oregon children lack health insurance. The vast majority of these kids, 88 percent, belong to families with at least one working parent.

“Many Oregon working families are getting squeezed,” said Janet Bauer, policy analyst with the Oregon Center for Public Policy, who reviewed the report. “Some get no health coverage from employers and make too little to buy health insurance for themselves and their children. Others are offered coverage by their employers but cannot afford the premiums that would insure their children.”

Among all states in the nation, Oregon ranked 18th for the percentage of children in the state without health insurance, according the report *Left Behind: Oregon's Uninsured Children*. Thus, Oregon currently has a higher percentage of uninsured children than 32 other states.

The figures in the report predate the onset of the current economic downturn, which through September of this year cost Oregon 20,000 jobs, said Bauer. Laid-off workers who were receiving employer-sponsored health insurance for themselves and their children lose those benefits unless they pay out of their own pockets to extend them.

Some workers unaffected by layoffs may also find themselves without health coverage, because the economic downturn may pressure some employers to cut costs by reducing health benefits or to shift more of the costs to workers, said Bauer.

That would continue a trend of declining employer-sponsored health coverage, according to Bauer. She noted that this decade, the share of Oregon children who get their health insurance through their parents' employer fell 7.8 percent from 2000-01 to 2006-07.

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“With the situation becoming more difficult for working families, it’s urgent that the government step up with solutions that protect our most vulnerable citizens, especially our children,” said Bauer.

She urged Congress to move swiftly in reauthorizing the State Children’s Health Insurance Program (SCHIP), which is set to expire in March 2009. The program, funded with federal and state dollars, provides coverage for children in working families that earn too much to qualify for Medicaid but too little to afford private insurance.

Last year, President Bush vetoed legislation that would have extended SCHIP coverage to an additional 4 million uninsured children nationwide, about 39,000 of them in Oregon. The temporary extension that ultimately passed provided only enough funds to keep coverage at existing levels.

“A robust reauthorization of SCHIP would give an important boost to Oregon Governor Ted Kulongoski’s legislative priority to provide health coverage to Oregon’s uninsured children,” said Bauer.

Bauer also said that it’s important for Congress to move quickly on a stimulus bill that includes a temporary increase in Medicaid funding to states. About half of Medicaid’s 42 million enrollees nationwide are children, according to Families USA.

The Oregon Center for Public Policy is a non-partisan research institute that does in-depth research and analysis on budget, tax, and economic issues. The Center’s goal is to improve decision making and generate more opportunities for all Oregonians.