WASHINGTON UPDATE

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Commission issues access recommendations
A National Commission on Children (NCC) report calls on the federal government and employers to jointly provide health insurance for all U.S. children.

The report, released in June, makes 37 recommendations for public, private and individual actions to strengthen families and improve the well-being of American children.

The NCC, chaired by Sen. Jay Rockefeller (D-W.Va.), was established in 1987 by the President and Congress to assess the status of children in the U.S. and develop a national agenda for public and private sector actions to improve children's opportunities.

The bipartisan commission's 500-page report, "Beyond Rhetoric: A New American Agenda for Children and Families," is the culmination of two years of hearings, site visits, town meetings and deliberations.

The commission report outlines problems and proposes solutions in eight broad areas: income security, health, education, adolescent needs, family support, protection of vulnerable children, coordination of federal and state assistance programs, and creation of a moral climate for children.

The recommendations call for action by parents, communities, employers, the media and the government. They include: development of more challenging curricula in schools; establishment of family-oriented policies in the workplace such as family and medical leave and flexible work schedules; and greater restraint in the content of television programming and advertising for children; and increased recognition for community service.

"Our report is an historic achievement," Sen. Rockefeller said at a press conference announcing the release of the report. "The (commission) has gone beyond rhetoric to craft a comprehensive plan that calls upon all Americans to step forward and do what is necessary to save our children, strengthen their families and secure our future as a great nation.

"Commission members include local, state and federal elected officials; members of the Bush and Reagan administrations; experts in child health and development; educators; children's advocates; philanthropists; and business and labor leaders.

Four commissioners are AAP members: Donald Cohen, M.D., of New Haven, Conn.; Jane Nordmeyer, M.D., of Fresno, Calif.; T. Berry Brazielton, M.D., and Barry Zuckerman, M.D., both of Boston.

"The commission report is important for pediatricians who want to look at the larger question of the role of children in this country," Dr. Zuckerman said. "As a pediatrician, it was interesting to listen to business people who are concerned about their status of children and what this means to the future workforce." Dr. Zuckerman is director of the Division of Developmental and Behavioral Pediatrics at Boston City Hospital.

During their investigations, the commission visited urban and rural communities. They traveled to a neonatal intensive care unit, a drug rehabilitation program, a shelter for homeless families, a drop-out prevention program and several elementary schools.

The extent of the commission's research and subsequent recommendations is critical, Dr. Nordmeyer said.

"If we are going to address children's problems, we have to address all the problems or else we're missing the boat," he said. "Pediatricians should look at the breadth of the report, not just focus on the narrow issues related to health." Dr. Nordmeyer is president and CEO of Valley Children's Hospital in Fresno, Calif.

The most widely reported commission proposal is a $1,000 tax credit for

AAP officials answer access proposal questions

Editor's note: More than 12 million U.S. children do not have health insurance. Countless others are underserved. Developed by the Academy, Children First is a federal legislative proposal designed to guarantee all U.S. children and pregnant women will have private health insurance with comprehensive benefits. AAP staff developed the following answers to 20 questions frequently asked by pediatricians and others about Children First.

1. How will children and pregnant women become insured under Children First?

Children First guarantees that all children and pregnant women will have private health insurance either paid by an employer or a state administered insurance fund.

2. Who pays the premiums in a family that has health insurance through an employer?

Employers will be asked to choose one of two options — "pay or play." Under the employer option, employers will purchase private health insurance plans directly. If they choose this option, employers must pay at least 75 percent of the premium and employees will pay the remainder, up to 25 percent.

Under the "pay" option, employers will pay a payroll tax of 3.2 percent on wages up to $125,000. If employers choose this option, employees also must pay a 1 percent tax on earnings up to $125,000. The payroll taxes will help finance the state administered insurance fund.

3. Who pays the premiums in families where no one is employed?

The state-administered insurance fund will pay for private health insurance for children and pregnant women in families where no one is employed.

Under Children First, families will pay an increasing share of insurance premiums as their income rises. However, families with incomes less than 133 percent of the federal poverty level will not be required to pay any part of their premium.

4. What happens when the cost of medical care rises?

Employers and employees will either purchase insurance at the market rate or pay a tax that is based on payroll. Under either method, revenues would increase with inflation.

Children First also provides federal subsidies to pregnant women in families with low-wage workers and children who have their insurance paid by the state-administered insurance fund. These subsidies will ensure that costs will be covered if the growth in payroll is less than the increase in program costs.

5. Can a family choose not to enroll their children in the program?

No. Employers, families and states will all have legal obligations to ensure that all children have health insurance coverage.

6. What services are covered?

The benefits provided by Children First are comprehensive and cover the full range of services. They are divided into three categories:

1) Preventive Care
2) Primary/Major Medical
3) Extended/Major Medical

Benefits in the first two categories are required to be identical throughout all private health insurance plans. Category 3 benefits may vary slightly from plan to plan.

7. What services require patient cost-sharing?

For preventive care (category 1) benefits: There is no coinsurance. There are no deductibles.

For primary/major medical (category 2) and extended/major medical (category 3) benefits: Most families will have to pay some coinsurance and a deductible. However, some low-income children in families insured through the state administered insurance fund will have no or reduced cost-sharing obligations.

8. Does Children First provide a

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