



June 9, 2020

Dear Senate President Sweeney, Assembly Speaker Coughlin, Health Chairs Senator Vitale and Assemblyman Conaway,

It is with great urgency that we, the undersigned organizations write to ask your immediate action to ensure that Cover All Kids, introduced in the Senate (S876-Vitale) and pending introduction in the Assembly (Lopez), is passed without further delay to ensure that no child in our state will face another year without access to health care coverage.

The importance of passing this bill has never been greater. As we grapple with how to contain further outbreak of the coronavirus, safely reopen and help our state and families recover from the fallout of this public health crisis, we must prioritize solutions that will help our residents get and stay well in the months ahead.

We have made great strides toward expanding coverage under the Affordable Care Act. But shamefully, more than 600,000 of our residents, including 80,000 children, the majority of which live in poverty, remain uninsured. Those numbers are likely growing since the onset of COVID. It is especially disturbing is that nearly three-quarters are children of color, distinguishing New Jersey as having one of the highest disparities between whites and children of color in the nation. "The uninsurance rate for White kids is 2.2 percent. The rate for Hispanic children is three times higher, at 6.3 percent, while the rate for Black children is two and a half times higher, at 5.1 percent."<sup>1</sup>

For nearly two years NJ For Health Care has been working with members of the Legislature and administration to create a path to cover all children that is both equitable and economically sound. We propose we can achieve both by coupling the passage of Cover All Kids with a bill to pick up the federal Health Insurance Assessment (HIA) expiring at the federal level January 1, 2021. The federal HIA which currently applies to fully regulated large, small and individual group plans, Medicaid managed care organizations, Medicare advantage and prescription drug plans, and federal employee plans generates \$567 million from New Jersey insurers.<sup>2</sup> Considering our state Medicaid contribution under the HIA of \$125 million and the fact that Medicare or federal employee plans would be exempt from a state HIA, New Jersey could generate more than \$400 million by enacting a state level replacement assessment now. The HIA legislation would dedicate these funds to expanding affordability and coverage options on

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<sup>1</sup> New Jersey Policy Perspective, Raymond Castro, *It's Time For All Kids Health Coverage*, April 2019.

<https://www.njpp.org/healthcare/its-time-for-all-kids-health-coverage>

<sup>2</sup> Families USA National Center for Coverage Innovation, Stan Dorn, *A Golden Opportunity For States To Make Health Insurance More Affordable*, March 19, 2020. <https://familiesusa.org/resources/a-golden-opportunity-for-states-to-make-health-insurance-more-affordable-rapid-action-required/>

our newly created state health exchange and move us closer to our shared goal of ensuring all New Jerseyans have access to health care beginning with coverage for all kids.

The stakes have never been higher. If we have learned nothing else from this pandemic, it is that “we are only as secure in our health as our neighbors; one person’s lack of access to treatment can put many others at risk” as our former health commissioner Heather Howard recently pointed out.<sup>3</sup>

Our safety and recovery from COVID cannot be achieved unless we eliminate the structural barriers that allow racial and economic disparities to persist in our health care system. Covering All Kids is an important step in closing the coverage and equity gap.

On behalf of our organizations, houses of worship, and the hundreds of thousands of New Jerseyans we represent, we urge you to pass Cover All Kids and the Health Insurance Assessment before June 30<sup>th</sup> so that they can take effect on January 1, 2021.

Sincerely,

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1<sup>st</sup> District Women’s Missionary African Methodist Episcopal Church  
Advocates For Children NJ  
Anti-Poverty Network  
Association of Professional Chaplains  
Beacon Unitarian Universalist Congregation  
Blue Wave NJ  
Central Jersey DSA  
Churches Improving Communities  
CWA Local 1081  
Deportation and Immigration Response Equipo (DIRE)  
Ebenezer Baptist Church  
Embracing Race-The Conversation  
ERA Queen City Realty  
EraseTheRedline Inc.  
Faith In New Jersey  
Family Voices NJ  
Food & Water Watch  
First United Methodist church of Hightstown  
Fountain Baptist Church

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<sup>3</sup> Star Ledger Opinion, Heather Howard and Thomas Huelskoetter, COVID-19 may reveal cracks, but Obamacare has transformed our health care, March 23, 2020. <https://www.nj.com/opinion/2020/03/covid-19-may-reveal-cracks-but-obamacare-has-transformed-our-health-care-opinion.html>

Gloucester County NAACP  
Grant Chapel AME Church  
Greater Mount Moriah Baptist Church  
Greater Newark Conservancy  
International Youth Organization  
Kids in Need of Defense (KIND)  
Latin America Legal Defense and Education Fund  
Liberating Word Ministries  
Living for a Cause  
Lutherans Engaging in Advocacy  
Masjid-e-Ali  
Monmouth Center for World Religions and Ethical Thought  
National Association of Social Workers-NJ Chapter  
New Jersey Alliance For Immigrant Justice  
New Jersey Appleseed PILC  
New Jersey Education Association  
New Jersey Harm Reduction Coalition  
New Jersey Main Street Alliance  
New Jersey Policy Perspective  
Planned Parenthood Action Fund of New Jersey  
RCHP-AHC  
Riverside Club, Nat'l Assn Of Negro Business & Professional Women's Clubs  
Salvation and Social Justice  
Santa Isabel Lutheran Church  
Still Waters Anti-Trafficking Program  
St. Stephan's Grace Community  
Unitarian Universalist Congregation at Montclair  
Temple Beth-El  
Temple B'nai Abraham  
The Reformed Church of Highland Park  
Wayne Smith Associates  
Women Who Never Give Up, Inc.  
Youth Advocate Program, Inc  
Dr. Brant Ali  
Dr. John Pepen