

**MISSOURI CHILDREN WIN VICTORY IN CLASS ACTION LAWSUIT
CHALLENGING UNLAWFUL TERMINATIONS
OF CHILDREN'S HEALTH COVERAGE**

On July 9, 2007, a federal court in Missouri issued a preliminary injunction in a lawsuit filed by the National Center for Law and Economic Justice and the National Health Law Program, *J.W.M. v. Scott*. The injunction prohibits the State from terminating the coverage of 20,000 Missouri children who receive their health coverage through MC+ for Children, the State Children's Health Insurance Program (SCHIP). Under the Court's order, if the state intends to terminate a child for failure to pay the premium required by MC+, it must first mail the child's parents a notice of the pending termination, inform them of their right to request a hearing and their right to continue to receive coverage pending the outcome of the hearing. The court also ordered the State to perform reviews to see if the child is eligible under any other Medicaid program before terminating them from MC+ coverage. This is the first lawsuit of its kind concerning a State's SCHIP program and is a great result for the children of Missouri.

In issuing the order, Judge Laughrey held that due process was required and found that "a potential lapse in medical coverage for the children of the working poor who are otherwise unable to pay for needed medical attention is an irreparable harm of the highest order,," including, "a potential six-month lapse in health care coverage for children of the working poor."

Around 20,000 low-income Missouri children are required to pay premiums to receive their MC+ health coverage and 3,000 of those children could have their benefits cut off for six months if their premium payments are late by even one day for whatever reason. Dr. Katie Plax, a St. Louis, MO pediatrician says that, "this ruling guarantees that children will not lose access to needed health care and services without due process. It holds the department accountable for the care provided and ensures necessary access to health care, which we know ensures better health outcomes."

"Until now, children like J.W.M from low-income families have felt constantly at risk of losing their much needed MC+ coverage through no fault of their own before they have the opportunity to appeal. Thanks to the Court's order, this is no longer the case and these families can rest easier. We are grateful the State has been told it needs to follow the law and that these young people's rights cannot be trampled upon," said Laura F. Redman of the National Center for Law and Economic Justice.

"It is troubling that Governor Blunt, who is such an ardent advocate for free market principles in health care, would allow the state to provide children protected by SCHIP with less leeway to pay their premiums than they would get from any private insurance company. I wonder whether he is even aware of this practice that results in so many children losing the coverage that they so desperately need. The court's ruling will provide such a grace period by ensuring that basic due process protections are followed before children's health care is terminated," said Steve Hitov of the National Health Law Program.

"While the loss of Medicaid coverage for many thousands of Missouri children since the 2005 legislative changes has been well documented, the fact that coverage was terminated without affording the most basic due process rights has received little attention. This decision ensures that children in Missouri's SCHIP program will not lose health care arbitrarily when the state fails to process their premium payment correctly or when the family's payment arrives a day late, whether it is their fault or not," said Mr. Hitov.

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