



THE URBAN INSTITUTE

Sustaining Universal Children's Coverage: Growing Pains for the Los Angeles Healthy Kids Program

Ian Hill, Urban Institute

Brigette Courtot, Urban Institute

Patricia Barreto, University of California, Los Angeles

Eriko Wada, University of Southern California

Enrique Castillo, Castillo & Associates

Presented to:

APHA Annual Meeting, Washington DC

Funded by:



6 November 2007



Outline of Presentation

- Background on Healthy Kids and evaluation
- Positive findings on impacts of Healthy Kids
- Challenges related to funding shortfalls
- Conclusions and potential policy solutions

California's Children's Health Initiatives



Los Angeles Healthy Kids Program Characteristics

- Upper income eligibility limit of 300% FPL
- Children ages 0-18 ineligible for Medi-Cal or Healthy Families (SCHIP) (i.e., mostly undocumented children)
- Universal community-based outreach model
- Benefits modeled after SCHIP
- Managed care delivery system
- Nominal sliding scale premiums and copayments
- Multiple funding sources

Los Angeles Healthy Kids Evaluation

- 4 Year Project (May '04 – April '08)
- Evaluation Partners – UI, USC, UCLA, Mathematica, Castillo & Associates
- Case studies of implementation
- Focus groups with parents
- Monitoring outreach, enrollment, renewal and utilization
- Enrollment analyses
- Insurance impact analysis
- Longitudinal household survey
- Reports available at: www.urban.org and www.first5la.org

Evaluation Highlights: Outreach and Enrollment

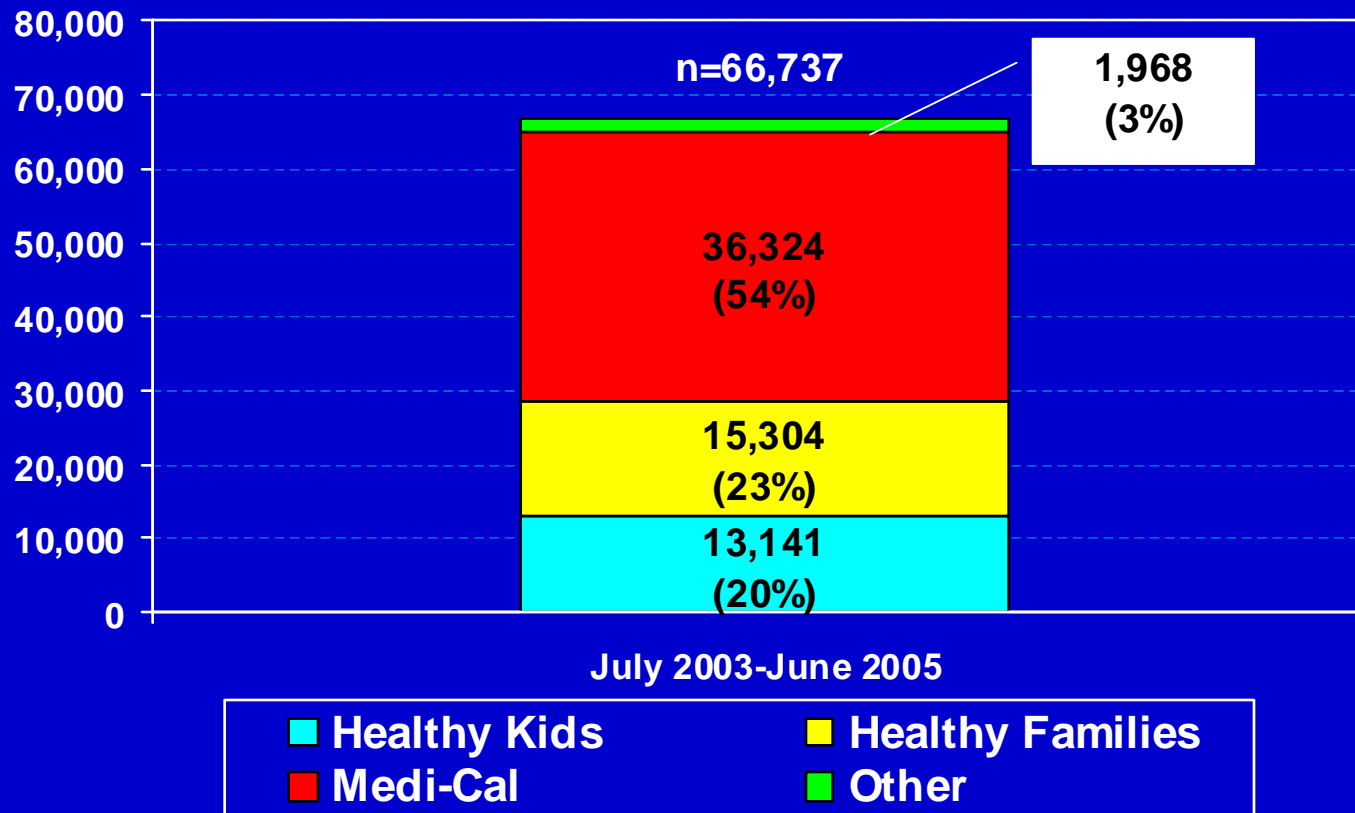
Case Studies found:

- Grass roots, community-based outreach in variety of settings reaching the ‘hard to reach’
- Hands-on application assistance model
- ‘Something for everyone’ approach

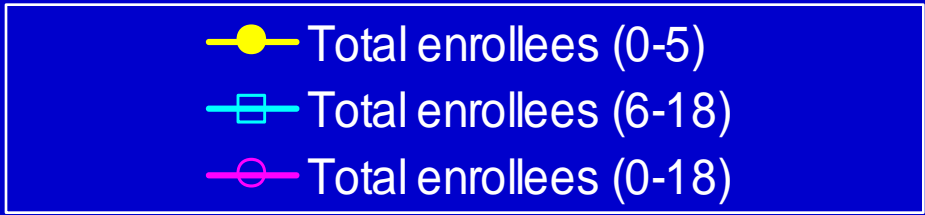
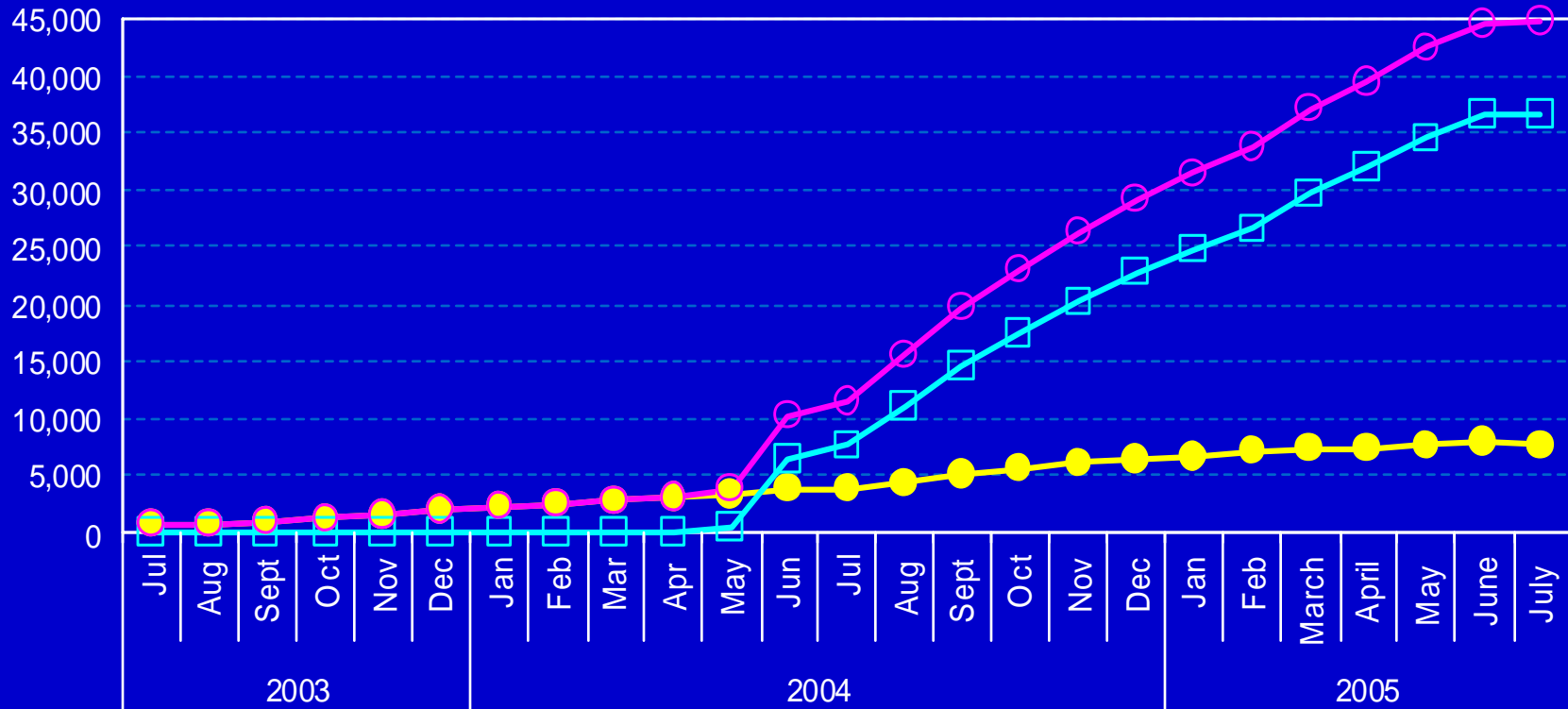
Focus Groups found:

- Vast majority of parents say process is easy
- Few parents reluctant to apply; outreach workers dispel fears of ‘public charge’

Distribution of Applications Submitted with Assistance by DHS, by Program



Cumulative Healthy Kids Enrollment by Month and Age July 2003 to July 2005



Evaluation Highlights: Access to Care

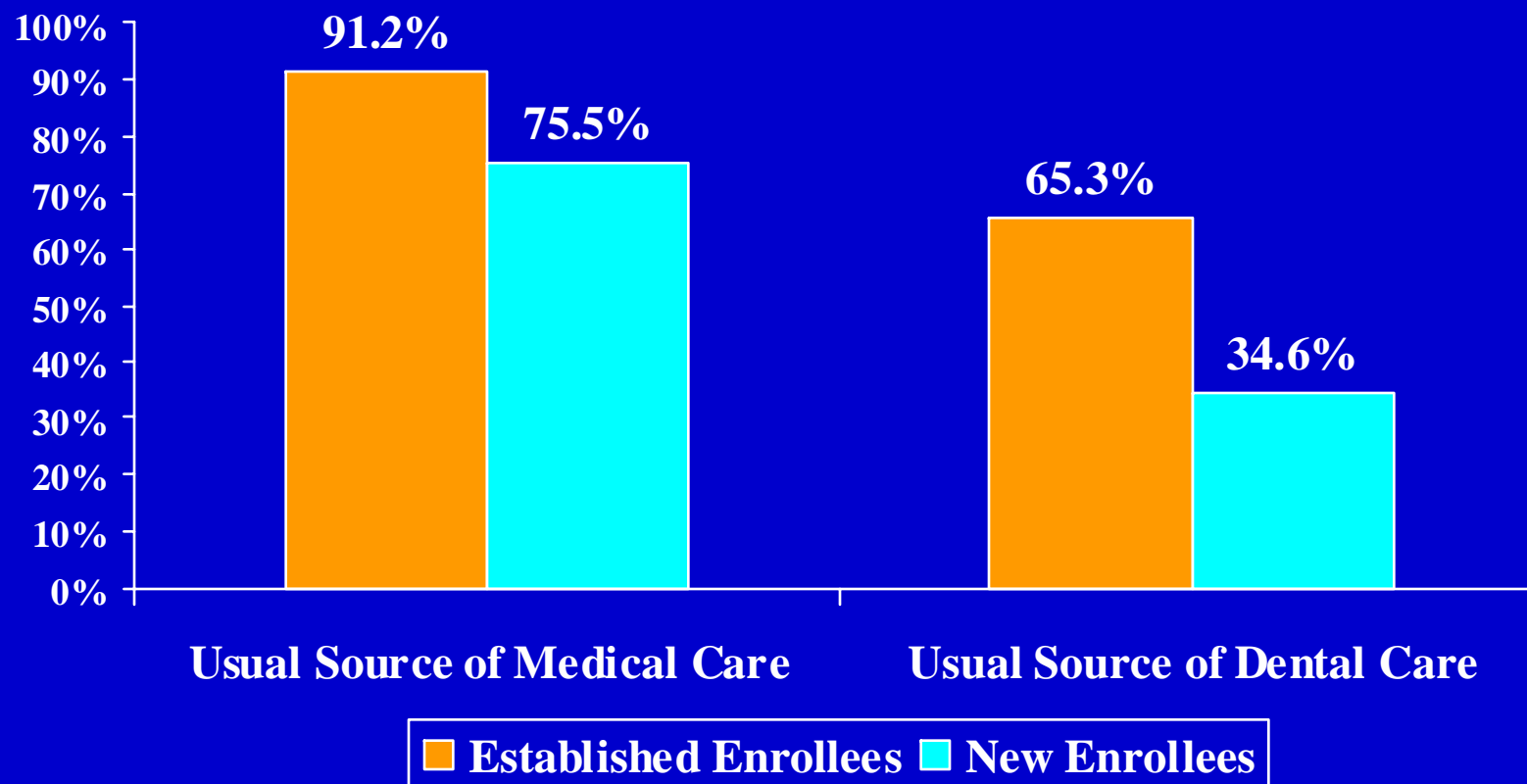
Case Studies found:

- Benefit package meeting the needs of children
- Copays affordable for most families
- Satisfaction with network scope, but potential weak links with developmental and specialty systems
- Health utilization seems low, but few reports of access problems

Parent Focus Groups found:

- Families using services (health, dental, vision, specialty)
- Parents satisfied with providers who “speak their language”
- Copays affordable for all but parents of CSHCN
- Many parents still have and use Emergency Medi-Cal card

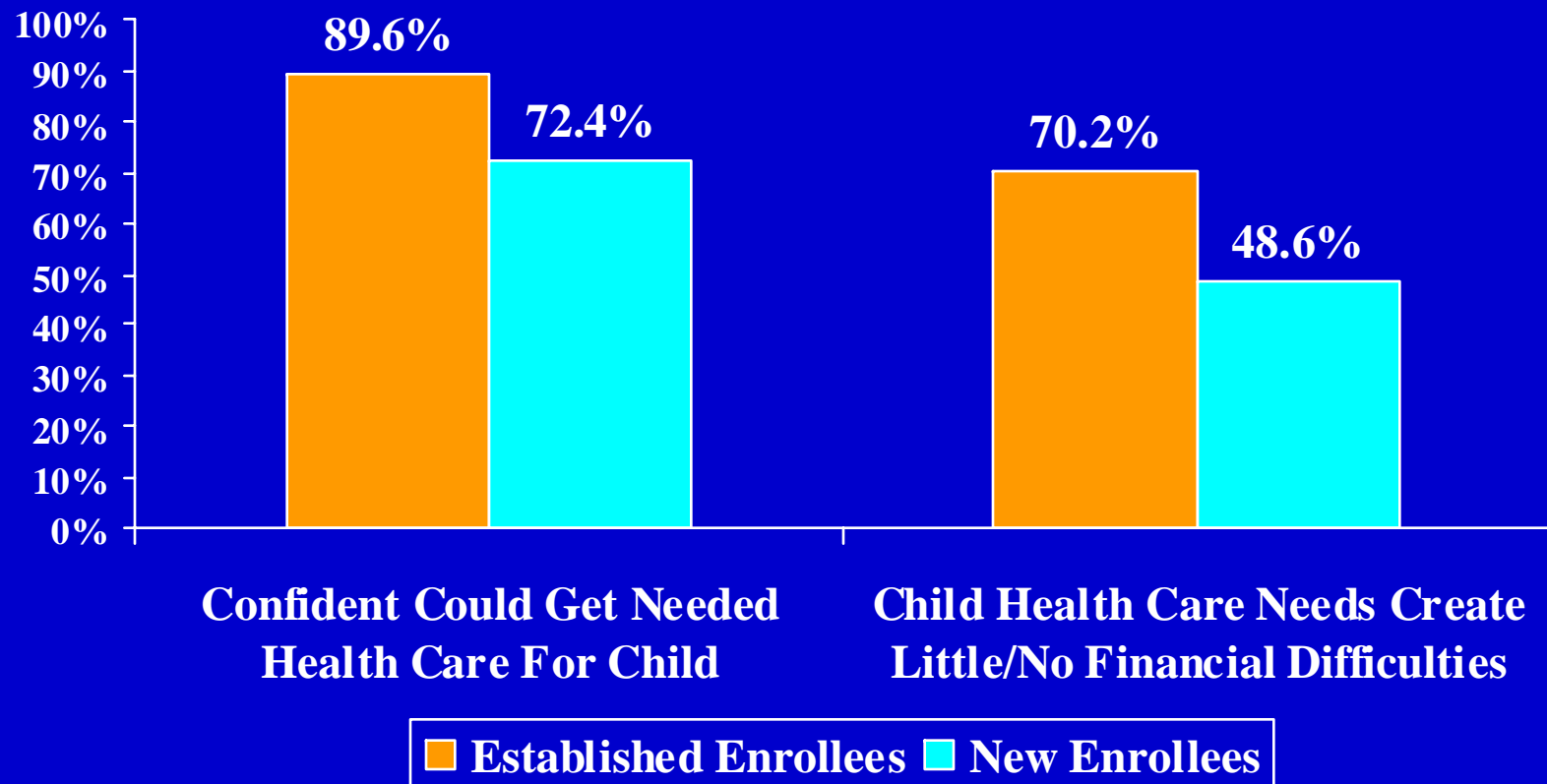
Usual Source of Care (Percent of Children)



Source: Wave 1 Healthy Kids Evaluation Enrollee Survey.

* significantly different from established enrollees at the $p < 0.05$ level.

Confidence and Hardships (Percent of Children)



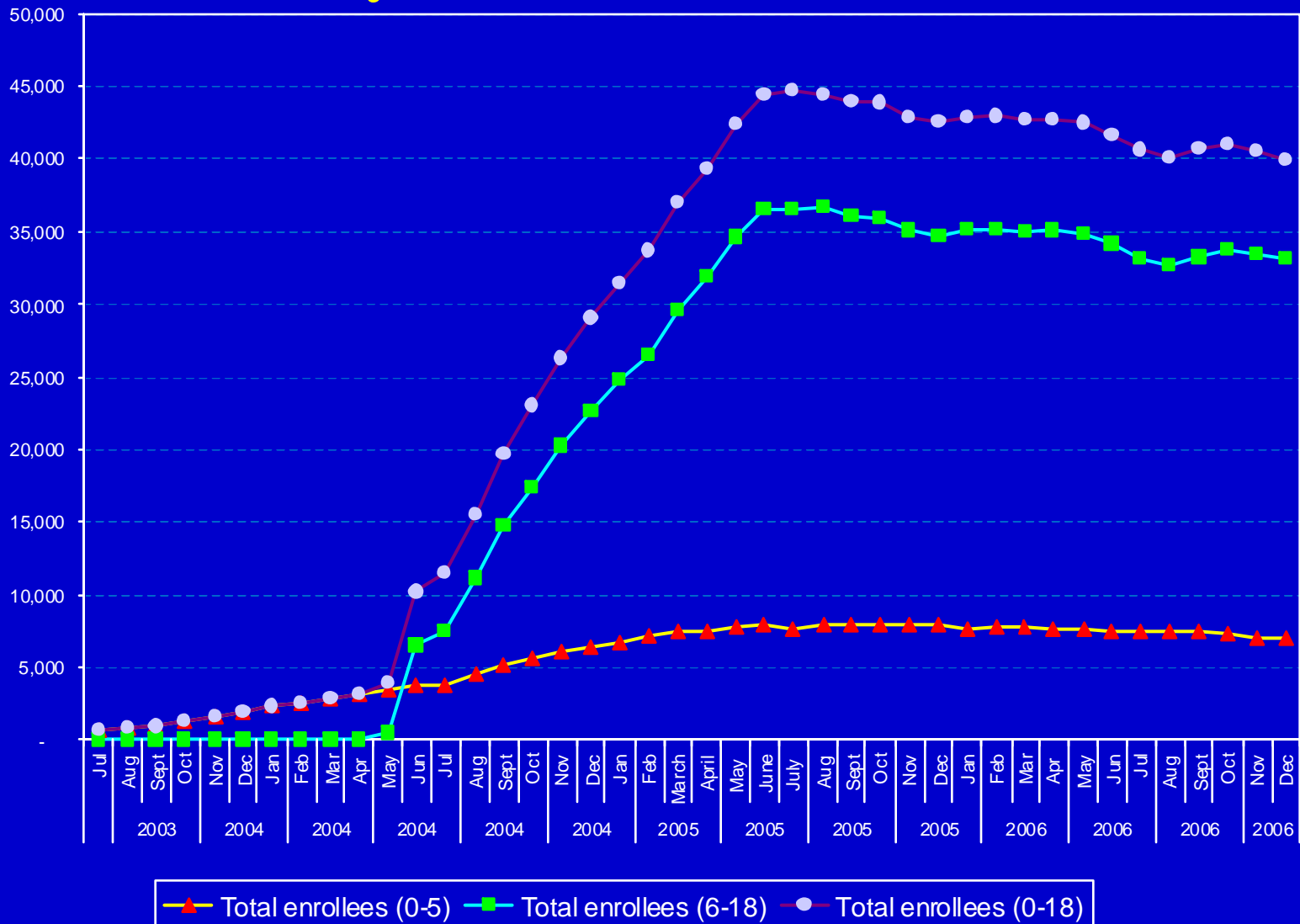
Source: Wave 1 Healthy Kids Evaluation Enrollee Survey.

* significantly different from established enrollees at the $p < 0.05$ level.

Funding Shortfalls Lead to Enrollment Cap

- Enrollment of 6-18 year-olds halted June '05
- Waiting list grows to over 5,000 children by March '06, when list was closed
- Outreach workers adjust messages, find alternatives, and focus on renewal
- Enrollment dips for *both* 6-18 and 0-5 groups

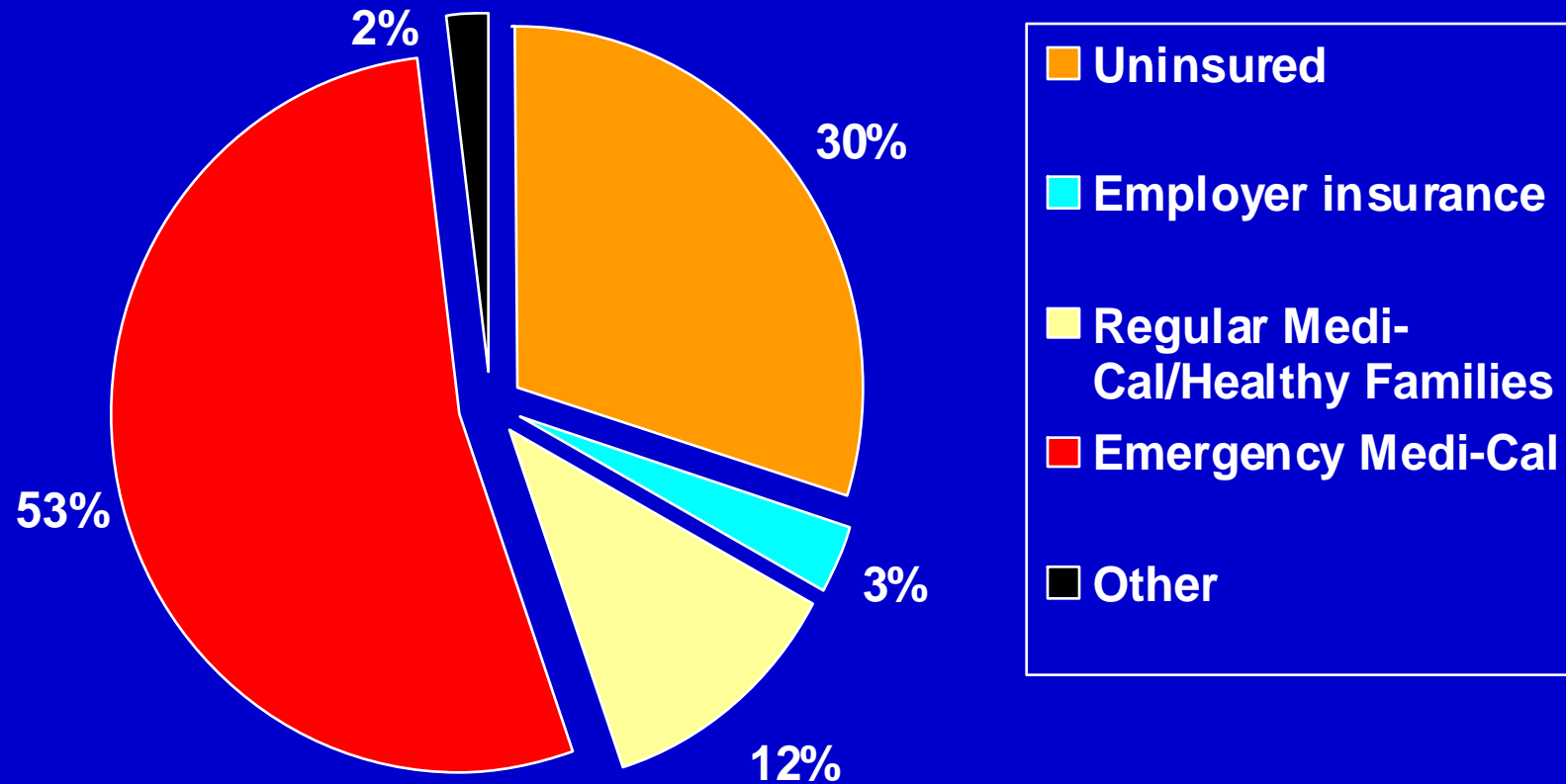
Cumulative Healthy Kids Enrollment by Month and Age July 2003 to December 2006



Factors Contributing to the Funding Shortfall

- Too many children, not enough money
- Large proportion of children possess *both* Healthy Kids *and* Emergency Medi-Cal
- Parents report: “We use Healthy Kids for doctor visits, and Emergency Medi-Cal for emergencies.”
- Many children receive screening services from CHDP as they enroll in Healthy Kids
- Combined effect—Healthy Kids not getting full benefit of its investment

Insurance Status Prior to Enrolling in the LA Healthy Kids Program (Ages 1-5)



Source: Urban Institute Survey of LA Healthy Kids Enrollees, 2005

Policy Responses to Date

- First 5 LA funding for 0-5 remains secure
- Health plan reduces premiums three times in recognition of ‘overpayment’
- ‘Savings’ allowed children to be enrolled off waiting list as attrition permitted
- Philanthropies continue to contribute; funds to cover current enrollees ‘til 12/2007

Potential Solutions

- Capturing federal and state Emergency Medi-Cal funds
- Restructuring Healthy Kids as primary care only, w/ Emergency Medi-Cal as “wrap around”
- Legislative actions, including
 - AB 722 (all children under 300% FPL) vetoed by Schwarzenegger in 2005
 - Prop 86 (tobacco tax increase) failed in 2006
 - Schwarzenegger ‘universal coverage’ plan announced January 2007 (includes children ‘regardless of immigration status’)
 - AB1 and SB32 propose ‘children’s universal coverage’

Conclusions

- Healthy Kids enrolled roughly 45,000 very low-income, primarily undocumented children of working parents
- Community-based outreach and application assistance enrolled high proportions of eligibles
- Most children uninsured prior to Healthy Kids, have little access to employer-sponsored insurance
- Healthy Kids improves access to care and reduces parents' concerns about meeting child needs

Conclusions (cont.)

However,

- Sustaining coverage for older children has been challenging
- Enrollment cap for 6-18 year-olds in place since June 2005
- Cap appears to suppress enrollment of children 0-5, too
- Dual coverage from Emergency Medi-Cal and CHDP is inefficient and exacerbates the funding 'crisis'
- Limits to how long philanthropies will pick up tab
- While prior legislative 'fixes' have failed, new proposals hold promise of saving this proven effective program for vulnerable children