

Latino Coalition for a Healthy California
Los Angeles Regional Network
March 24, 2005
Californians for Healthy Kids

Presentation by Jenny Kattlove,
The Children's Partnership

On behalf of the 100% Campaign (Joint Effort of Children
Now, Children's Defense Fund, and
The Children's Partnership)

What I Will Cover

- What we aim to accomplish for California's children
- Why are we mounting this effort now
- Who is behind this initiative
- The elements in our policy proposal
- How the plan will be paid for
- Legislative picture
- Moving forward--how you can become involved

Our Simple Goal

Complete the job: Provide
affordable insurance for all
uninsured children

- Less than 10% of California's kids--780,000
- More than half (55%) already eligible for Medi-Cal/Healthy Families
- Intend to do this legislatively
- Phase in to be fully operational by July 2007

Why We Are Mounting This Push Now

- Health care reform a priority this year; our effort offers an achievable/modest first step
- Goal within reach--based on uninsured numbers & costs
- New CHI numbers show how successful we can be
- Local CHIs cannot survive without sustainable funding
- Gov. Schwarzenegger says he wants to cover all kids
- Serious interest among legislators
- Public strongly supports this
- It is the right thing to do

What Californians Say

Recent Survey of Voters (Sponsored by The California Endowment)

- 89% view children not having health insurance as a serious concern
- 78% support a plan to ensure that every child in California has health insurance
- 91% of Latinos want a plan to cover all California children
- 73% think it is important to have a shared solution calling on parents, employers, and govt. to contribute

Who is Behind this Effort

- Founding Organizations
 - 100% Campaign (a joint effort of Children Now, Children's Defense Fund California, and The Children's Partnership)
 - PICO California Project and its regional organizations across California
- Over 130 supporters of the goals of Californians for Healthy Kids

Californians for Healthy Kids

Broad Range of Supporters Behind Kids' Health

- Over 130 diverse organizations across California
- Small Business California, Los Angeles Chamber, California Small Business Association, San Francisco Small Business Advocates
- United Way's Covering California's Children, and more than a dozen local United Ways
- Insure the Uninsured Project, Community Health Councils, Maternal Child Health Access, National Health Foundation
- California Teachers Association, California State Parent Teacher Association
- American Academy of Pediatrics/California District, California Primary Care Association, California Children's Hospitals Association, California School Nurses Association
- Local Health Plans of California, local CHIs, and California Association of Health Plans
- Blue Cross, Blue Shield, Health Net, Kaiser Permanente
- First Fives
- Many more...

The Goals Californians for Healthy Kids Joined Around

1. Create a strong private/public initiative in which **all children** living in California from birth to age 21 will have access to affordable health insurance coverage.
2. **Build upon what works in California's publicly-funded state insurance programs** and reform what does not, including modernizing and simplifying how children get enrolled and stay enrolled in coverage.
3. Create a statewide insurance system that **leverages the lessons and successes of local children's health initiatives.**
4. Promote **voluntary opportunities** to strengthen **employer participation** in covering dependents.
5. **Develop sustainable financing that supports the system over the long term, including maximizing federal funding.**
6. Promote opportunities for children to **access** services under their health insurance coverage.
7. Ensure a **strong safety net** as a vital component of access to care.
8. **Do no harm** as these reforms are put in place.

Where Does This Advocacy Effort Stand Today?

- We are a newborn baby—but a robust one
- Launched December 14th in Sacramento
- Invite everyone in at this early stage
- We have a policy framework
- Legislation introduced
- We want to work with all interested groups to refine the specifics of the policy

Policy Proposal's Approach

- Build on what's in place and working
- Fix what is broken
- Shared responsibility for sustainable financing
- Encourage employer participation
- Phase the program in so it is “well built” and affordable
- Simple message is “any uninsured child is eligible”

Eligibility & Program Structure

- All uninsured children enter a statewide Healthy Kids program
- Uses today's delivery systems
- Family income determines the child's benefits and financing (create a *bright line* of 133% FPL)
- Families with incomes over 300% FPL can buy into Healthy Families
- Family cost sharing builds on current Healthy Families arrangements

Enrollment & Retention

- Children get immediate coverage based on initial screening, while follow up/final determination made
- Electronic enrollment through many “doors” (schools, doctors’ offices, WIC, child care, and hospitals)
- Families themselves can also enroll online
- Paperwork, such as income documentation, minimized
- Build on local CHI’s outreach/enrollment strategies
- Families renew coverage via short check-off form
- Children shift seamlessly between Medi-Cal and Healthy Families

Cost-saving Measures

- Kids are in affordable managed care arrangements
- There are administrative efficiencies in enrollment when it is simplified, and costly re-enrollment is avoided
- Earlier identification & treatment of pediatric problems results in more cost-effective care

Employer Participation

- Aims to stem employers dropping coverage
- Encourage employers to cover more kids
- Voluntary approach
- Designed to be simple/affordable for employers and families
- Enable certain employers to buy into affordable purchasing pools

Some of the Toughest Issues

- How best to build upon the strengths of local CHIs in the transition to statewide Healthy Kids
- How to make participation attractive so employers will want to participate
- How to handle young adults ages 19 and 20

How the Plan Will be Paid For

- Shared approach—families, government, employers
- Phased in over three years
- No new money required for the first year—modest in out years

Financing Elements

\$716 million needed annually

-\$238 million (federal match for MC/HF)

-\$147 million (family premiums)

\$331 million (46% of full cost)

-\$212 million (CA already spends on health care)

\$119 million need

\$212 million comes from:

- Emergency Medi-Cal--\$29 million
- Share of Cost Medi-Cal--\$30 million
- AIM for kids--\$46 million
- CHDP--\$6 million
- CHDP Gateway--\$101 million

Financing

Possible ways to cover the remainder:

- Voluntary employer contributions
- Savings from administrative efficiencies
- Federal matching for currently unmatched investments
- Voluntary contributions from non-governmental sources
- Other new revenue sources

Phased Implementation

Year 1—Design HK

- Enact statewide Healthy Kids
- Advisory & accountability structures put in place
- Design streamlined enrollment system
- Design transition from local CHIs to statewide Healthy Kids
- Develop protocols for employer participation
- Design financing

Phased Implementation

Year 2—Roll Out California Healthy Kids

- Gateways to enrollment open
- All uninsured kids become eligible for coverage
- Employers begin participation

Phased Implementation

Year 3—Californians for Healthy Kids Moves Toward Full Implementation

- All children born in California are connected to coverage before leaving the hospital, when they visit the doctor, and at school entry
- Increasing portion of uninsured children now enrolled

Legislative Action

- Legislation has been introduced (as spot bills)
 - SB 437 Escutia
 - AB 772 Chan
- Details will be developed in concert with key stakeholders

Moving Forward--How You Can Become Involved

- Lend your organization's support to Californians for Healthy Kids
- Work with us to make sure the policy proposal is sound and will work
- Become part of electronic action network
- Support the bill

Sign on at www.100percentcampaign.org