

POLICY BRIEF

Volume 5, Number 4
October 2005



Challenged by Their Success: Healthy Kids Program Enrollment Caps and Waiting Lists

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Children's Health Initiatives' have succeeded in insuring nearly 82,000 formerly uninsured low to moderate income children in California. Yet about 7,650 uninsured children are on Healthy Kids program waiting lists because funding has not been able to keep pace with program demand. Five counties with Children's Health Initiatives (CHIs) have been forced to implement Healthy Kids program waiting lists and several additional CHIs anticipate implementing an enrollment cap and waiting list policy in the coming months. Without federal and state financing to assist with subsidizing coverage for these children, the positive impacts of many Healthy Kids programs on children, families and communities may be diminished. Since Healthy Kids-related outreach investments and activities have also increased enrollment across public coverage programs, inadequate Healthy Kids funding may have a dampening effect on Medi-Cal and Healthy Families enrollment and continuity of coverage for children residing in counties with CHIs.

Table 1. Statewide Summary of CHI/Healthy Kids Program (HKP) Enrollment and Waiting Lists (September 2005)

Total Number of Operational CHIs with HKPs	10
Number of HKPs with Waiting List	5
Number of HKPs Likely To Initiate Waiting List	3
Total Statewide HKP Enrollment	81,841
Statewide HKP Waitlist Total	7,650

What Are CHIs?

Children's Health Initiatives or CHIs are innovative local partnerships that bring together public and private sector stakeholders to provide affordable coverage and increased access to care for all children in a county. Each CHI coalition blends a Healthy Kids coverage product for children ineligible for existing public programs with a unique mix of local resources to create a streamlined outreach and enrollment pathway that maximizes participation across all available coverage programs (called "One Open Door" or "No Wrong Door").¹ California's ten operational Healthy Kids programs aim to provide comprehensive insurance coverage to all uninsured children 0 to 18 years of age in families with incomes up to 300% of the federal poverty level (\$58,050 per year for a family of four) who are not eligible for Medi-Cal or Healthy Families.² Twelve additional counties are working to launch Healthy Kids programs in the next six months.³

Each operational CHI has secured a diverse base of local public and private funding to subsidize Healthy Kids coverage, yet few have sufficient funding to enroll all local eligible uninsured children. To date, local First 5 Commissions and the First 5 California Children and Families Commission have been critical funding partners for these programs – providing premium support for all Healthy Kids eligible children five years of age and younger in counties with Healthy Kids programs.⁴ As a consequence, CHIs face their greatest challenge in financing coverage for older children. Children ages 6 to 18, who account for nearly 80% of all Healthy Kids enrollment, are more likely to be uninsured than younger children and less likely to be eligible for existing public programs.

Healthy Kids Enrollment Caps and Waiting Lists

Due to the financing gaps for older Healthy Kids eligible children, CHIs have chosen to maintain comprehensive coverage and affordable family cost-sharing for enrolled children while implementing enrollment cap and waiting list policies. Under these policies, a set limit or “cap” is placed on the number of children that can be enrolled based on available funding. Once the cap has been reached, additional children determined eligible for the program are placed on a waiting list. To ensure fairness, CHIs enroll waitlisted children as program spaces open up on a first-come, first-serve basis according to their program application date. Further, a small number of “age out” slots are maintained for enrolled children turning six and losing eligibility for First 5 premium support to ensure coverage continuity. With the exception of the small number of “age out” slots, all new enrollments into Healthy Kids programs with waiting lists occur only as a result of additional program financing or disenrollments.

Table 2. Counties with Operational CHIs — Enrollment and Wait List Totals (September 2005) ^{5,6}

County	Enrolled Children Age 0-18	Enrolled Children Age 0-5	Enrolled Children Age 6-18	Waiting List Age 6-18
Kern	289	289	NA	NA
Los Angeles	44,554	7,801	36,753	3,000
Riverside	7,155	2,240	4,915	1,842
San Bernardino	2,858	1,387	1,471	1,560
San Francisco	4,030	752	3,278	None
San Joaquin	2,086	469	1,617	269
San Mateo	5,767	887	4,880	None
Santa Clara	13,547	2,517	11,030	979
Santa Cruz	1,555	298	1,257	None
Total	81,841	16,640	65,201	7,650

Healthy Kids Waitlist Implications for CHIs and the Families They Serve

When a CHI must cap its Healthy Kids enrollment for 6-18 year-olds, parents with children of different ages experience the frustration of having only their youngest children enrolled while their older children are placed on a waiting list. This inability to enroll all of a family’s children upon determination of program eligibility creates confusion and anxiety for families. Further, CHIs fear this confusion may result in diminished success in enrolling eligible younger children into Healthy Kids as well as lowered enrollments into Medi-Cal, Healthy Families and other public programs.

CHIs with Healthy Kids waiting lists report an average wait time of two to six months. As older children are added to the waiting list for Healthy Kids coverage, CHIs are striving to create family-friendly approaches to linking waitlisted children with coverage or access options. The primary alternative is to enroll an uninsured child into limited emergency-only coverage through Restricted Medi-Cal. This stop gap approach is less than satisfactory, however, since recent studies and experience have shown that children with gaps in health insurance coverage commonly do not seek needed medical care, will go without preventive care visits and do not get prescriptions filled.⁷

Statewide Solution Needed To Sustain Healthy Kids

Healthy Kids enrollment growth, enrollment caps and waiting lists demonstrate the value that families place on health insurance for their children and the need for a system of comprehensive, affordable insurance coverage for all California’s children. However, these programs also highlight the difficulty of sustaining coverage for kids through a patchwork of funding sources that are not viable over the long term.

Program caps and waiting lists pose real operational and philosophical challenges for CHIs struggling to provide comprehensive coverage for all children in their communities. A protracted inability to close the gap between program financing and demand may make it more difficult for CHIs to maintain their current levels of success in facilitating enrollment gains in the state and federally-funded Medi-Cal and Healthy Families programs as well. A combined local-state-federal financing solution that addresses long term sustainability is essential for the long term viability of Healthy Kids programs and the ultimate goal of getting all of California’s children covered.

Endnotes:

1. Wong L, Frazer H, Finocchio L, Winterbauer T, Schroeder G. Pioneers for Coverage: Local Solutions for Insuring All Children in California. San Mateo, CA: Institute for Health Policy Solutions, October 2004.
2. Exceptions include San Mateo County Healthy Kids, which covers children in families up to 400% FPL, and Riverside County Healthy Kids, which covers children in families up to 250% FPL.
3. For more information see the IHPS California web-site at www.ihps-ca.org.
4. Frazer H, Wong L, Schnyer C. First 5 Commissions: Key Partners in Children’s Health Initiatives, Issue Brief 5(3). San Mateo, CA: Institute for Health Policy Solutions, April 2005.
5. Administrative data collected from local CHI administrators by IHPS-CA staff, September 2005
6. Alameda County is not included in the table as it is currently transitioning from the Alliance Family Care Program to Healthy Kids. Alameda County Healthy Kids will provide similar coverage for children in families with incomes below 300% FPL beginning in October 2005.
7. Olsen LM, Tang SS, Newacheck PW. Children in the United States with Discontinuous Health Insurance Coverage. The New England Journal of Medicine (2005) 353(4): 382-391.