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# **Data and Recommended Strategies for Expanding Health Coverage to Children in Fresno County**

## **Final Report**

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## I. Introduction

Statewide, over 4.5 million people remain uninsured, of which 1 million are children under age 19.<sup>1</sup> Recent data from the 2001 California Health Interview Survey (CHIS 2001) highlighted disparities in coverage by racial/ethnic group, however, even greater disparities in coverage status were found for both adults and children once accounting for their immigration status. The disadvantages related to citizenship and immigration status were particularly pronounced for children – with non-citizen children and children in “mixed status” families (that is, with one or more parents who are non-citizens) far less likely to receive employment-based coverage and at least three times as likely of being uninsured. Among the 500,000 non-citizen children in California, nearly 40% are completely uninsured.<sup>2</sup>

Since early 2000, counties have responded by creating innovative approaches to expand health insurance coverage to uninsured children and families. These initiatives have included two key components: (1) the creation of a seamless, “one-stop-enrollment” method for families to receive coverage through existing public health insurance programs; and (2) the addition of a new insurance product available to all children up to specific income limits, regardless of their immigration status. These programs, often called “Children’s Health Initiatives”, or “Healthy Kids” in some counties, provide comprehensive medical, dental, vision and mental health benefits with affordable cost-sharing for families. The Alliance FamilyCare program in Alameda County, and the Healthy Kids programs in Santa Clara and San Francisco counties all target children living in families up to 300 percent of the federal poverty level who do not qualify for publicly sponsored programs. San Mateo County began enrollment into its Healthy Kids program in January 2003, with other counties such as Los Angeles, San Bernardino and Santa Cruz well on their way to creating similar types of coverage expansions.

The Institute for Health Policy Solutions (the “Institute” or IHPS) has collaborated with many of these counties by providing policy and technical expertise towards the creation and implementation of their children’s health insurance expansions. In an article recently submitted for publication, it was found that committed leadership, health systems infrastructure, multiple local funding sources and community advocacy were vital to the creation and maintenance of these Initiatives.<sup>3</sup>

In July 2001, the California Immigrant Welfare Collaborative (CIWC) received a two-year planning grant from The California Endowment to develop statewide strategies to expand health coverage for children in immigrant families. As part of this planning grant, the Institute for Health Policy Solutions was commissioned to conduct an

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<sup>1</sup> Brown ER, Ponce N, Rice T, and Lavarreda SA. *The State of Health Insurance in California: Findings from the 2001 California Health Interview Survey*, UCLA Center for Health Policy Research, June 2002.

<sup>2</sup> Brown, Ponce, Rice and Lavarreda, 2002.

<sup>3</sup> Wong, L. *Universal Health Care for Children: Two Local Initiatives*. Accepted by the Future of Children, Public Health Insurance Programs and Children. Los Altos, CA: The David and Lucile Packard Foundation, Spring 2003.

environmental assessment of the counties with the greatest potential to implement universal children's health care initiatives. From August to September 2002, staff from IHPS and CIWC met with key stakeholders in Fresno County to gather information on specific factors that could influence the County's ability to launch a comprehensive children's health care initiative.

## **II. Methodology**

The Institute staff gathered information for this environmental assessment through a review of relevant data sources and interviews with key stakeholders in Fresno County. These stakeholders included, but were not limited to, representatives from the County Board of Supervisors, the Human Services System, the Children and Families Commission, consumer advocacy groups, and community and faith-based organizations.

The Institute and CIWC representatives conducted site visits in early August and September 2002. The goal of the site visit was to examine the potential for a children's health insurance initiative in Fresno County. The interviews were focused on examining the following key questions:

- What is the scope of the problem? For example, where are uninsured children concentrated in the county? Are there local data sources that document the number of uninsured?
- Who are the major players and local health experts that would potentially be involved in a children's health care initiative?
- What are the existing community resources to support a major health coverage expansion?
- What are the available and potential funding sources to support a children's coverage expansion?
- What are the prevailing political dynamics to creating a universal health care initiative for children?
- What other models may be viable in expanding immigrant children's access to care?

## **III. Estimates of Uninsured Children in Fresno County**

For the years 1997-1999, the UCLA Center for Health Policy Research found that the average uninsured rate for Fresno County's children was 11% or approximately 33,000 uninsured children, with a range between 18,000 and 49,000.<sup>4</sup> Newer data from the 2001 California Health Interview Survey (CHIS 2001) found that the average uninsured rate for Fresno County's children, ages 0 – 17, was slightly lower at 10.2% or

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<sup>4</sup> Brown ER, Ponce N, and Rice T. *The State of Health Insurance in California: Recent Trends, Future Prospects*, UCLA Center for Health Policy Research, March 2001. The March 1998, 1999 and 2000 Current Population Surveys were used to derive estimated uninsured rates by county. Three-year estimates were used since they are more stable than single-year estimates. This estimate reflects sampling of both Fresno and Madera Counties.

about 26,000 children, with a range between 15,000 and 37,000.<sup>5</sup> At the time of this report’s submission, no local data is available on the number and percentage of uninsured children in Fresno County.

**Table 1. Estimated Percentage and Number of Uninsured Children, Fresno County**

Source	Total Population of Children	Uninsured Rate	Range of Uninsured Rate	Estimated Number of Uninsured Children
<b>March 1998, 1999 and 2000 Current Population Surveys, Ages 0-18</b>	303,909 Includes Madera Co.	11%	6 - 16%	33,000 <sup>a</sup> Range between 18,000 and 49,000 <sup>b</sup>
<b>CHIS 2001, Ages 0 – 17</b>	255,000	10.2%	6.0 – 14.5%	26,000 <sup>c</sup> Range between 15,000 and 37,000 <sup>b</sup>

<sup>a</sup> The uninsured rate was applied to California State Department of Finance population projections to estimate the number of uninsured children. This estimate includes both Fresno and Madera Counties.

<sup>b</sup> The reported rates and numbers of uninsured children are estimates. The true rates and numbers are likely to fall within a 95% confidence interval. All numbers are rounded to the nearest 1,000.

<sup>c</sup> The uninsured rate was applied to Census 2000 population numbers to estimate the number of uninsured children.

Of the total number of uninsured children in Fresno County, UCLA estimates that approximately 18,000 (or 69% of the uninsured) are eligible for Medi-Cal or Healthy Families. Another 8,000 children are uninsured and ineligible for public programs due to their immigration status or their family income is too high to qualify for Medi-Cal or Healthy Families.

#### **IV. Interview/Site Visit Findings**

##### History of Collaboration

Several of the individuals interviewed traced the history of collaboration around health and children’s health issues in Fresno County. The Medi-Cal Outreach Project, which is a county funded outreach and enrollment project, was often cited as a good basis for future collaboration around children’s health access issues. The project is a collaborative effort of several community-based and provider organizations and is known for its innovation and effectiveness in overcoming immigration barriers and increasing Medi-Cal enrollments of children and adults. Legal aid and consumer groups were instrumental in implementing this effort, including Central California Legal Services and the Fresno Health Consumer Center. More than 15 organizations have been involved in

<sup>5</sup> Brown ER, Ponce N, Rice T, and Lavarreda SA. *The State of Health Insurance in California: Findings from the 2001 California Health Interview Survey*, UCLA Center for Health Policy Research, June 2002.

this project over the past three years. Other health coalitions with an active history in Fresno County include the Multicultural Alliance, the West Valley Health Collaborative, and the Central Valley Health Policy Institute. While the county has a history of collaboration on increasing Medi-Cal enrollments and other health-related issues, there have been only very preliminary discussions on the issue of universal coverage for children.

It was noted that many of the smaller cities in the county have very high rates of unemployment (up to 30%) and that employment options are limited for those who lack English language skills. Much of the employment in the county is agricultural, so it tends to be seasonal and highly susceptible to climate changes. Several parts of the county have received Enterprise/Empowerment Zone designations. This designation gives these areas extra points on applications for federal funding. The City of Fresno has been designated as an “Empowerment Zone,” Parlier and Orange as “Renewal Communities,” and Huron and the Tulare Indian Reservation as “Enterprise Zones.”

### Key Players and Existing Community Resources

The interviews revealed an extensive network of community resources that would likely support a children’s health initiative (CHI) in Fresno County. These include the various health collaboratives previously mentioned – the Medi-Cal Outreach project, the Multicultural Alliance, the West Valley Health Collaborative, and the Central Valley Health Policy Institute. Several health care providers were mentioned as leaders in serving the low-income and uninsured populations, including Valley Children’s Hospital, St. Agnes Hospital, United Health Centers, Sequoia Health Centers, and the University of California San Francisco (UCSF) Fresno Medical Education Program.

The interviews included questions about who would be considered key players in a potential children’s health initiative in Fresno. Because Fresno County is still in the early phase of information gathering, organizations are included in this section for further follow-up. The following organizations were mentioned as potential key players in the planning and development of a CHI:

#### ***Government/Public Agencies***

- Fresno County Board of Supervisors
- Fresno County Human Services Agency
- Housing and Urban Development (HUD)
- U.S. Department of Agriculture (USDA)

#### ***Providers***

- Valley Children’s Hospital
- St. Agnes Hospital
- Community Medical Center
- United Health Centers
- West Fresno Health Collaborative
- Community Medical Centers

- Sequoia Health Clinics
- UCSF Medical Education Program
- Kaiser Permanente
- Blue Cross
- HealthNet

***Business***

- Economic Development Corporation
- Fresno County Economic Opportunities Commission
- Central Labor Council
- One by One Leadership

***Community and Faith-based Organizations***

- Multicultural Alliance
- Central California Legal Services
- Fresno Metro Ministries
- Centro La Familia
- FACT
- United Way of Fresno County
- Fresno Center for New Americans
- Lao Family Community of Fresno County
- Frente Indigena de Oaxaca
- Radio Bilingue

***Academic Institutions***

- Central Valley Health Policy Institute (at California State University, Fresno)

***Other Key Organizations and Individuals***

- Fresno County Children and Families Commission

Potential Funding Sources

While the general consensus among the individuals interviewed was that a children's health initiative was needed and would be supported, there was also concern that the amount of available resources – both in terms of funding and county staffing – was a significant challenge to launching a major expansion of coverage for children. In particular, the county budget had recently undergone significant cuts and would not likely be a major source of funding for a potential children's access initiative. The budget cuts included a major reduction of the allocation towards Children and Family Services staffing. As of late August 2002, the Board of Supervisors elected to use county reserve funds to restore some of these positions.

Overall, county allocations for health services have been limited in the wake of the September 11<sup>th</sup> terrorist attacks, as security and safety programs have emerged as a leading priority for the county Board of Supervisors. Twenty-eight percent of the health budget has been allocated to supporting prison medical services. Likewise, 75 percent of the county's Tobacco Settlement Funds have been securitized and dedicated to build a

juvenile justice facility. The remaining 25 percent of the Tobacco Settlement Fund or about \$2.5 million goes to social services and all other areas of the county budget. Given the reality that these funds have already been allocated to other county priorities, it is unlikely that a children’s health initiative could be supported through Tobacco Settlement or county general funds.

Despite the limited potential for county funding, our interviews did reveal a few potential sources for financing a children’s health initiative:

- The Community Health Department may have some funds that can be reallocated from its current budget.
- The County may still have available Temporary Assistance for Needy Families (TANF) incentive funds that were not spent in the prior year.
- Congressman Cal Dooley is trying to bring more federal support into the region through enterprise zone funding. The region and the Fresno county cities of Parlier and Orange Grove have received enterprise zone designations (“renewal communities” mentioned earlier).
- The Fresno County Children and Families Commission may be able to designate funds through its partnerships grants program or through one of its priority areas.
- Hospitals that serve a large number of uninsured patients – including Valley Children’s Hospital, St. Agnes Hospital, and Community Medical Centers – may be able to provide funding support if the argument can be made that a children’s health initiative will have a positive financial effect on their revenues or reduce the amount of bad debt that each facility writes off annually.
- A local community foundation, such as the Sequoia Community Foundation, may be interested in providing some support for an initiative.
- The California Endowment, through its Fresno office, could act as a convener of stakeholders to discuss strategies for a potential children’s health coverage expansion and provide future funding support of an initiative.

## **V. Potential Next Steps**

Based on the information gained from the interviews, the following next steps are proposed to assess the feasibility of expanding coverage for children in Fresno County:

- Conduct follow-up interviews with some of the key players identified during the initial site visits, particularly those with experience serving rural communities and with firsthand knowledge of rural access issues.

- Convene and engage key providers in the community and facilitate a discussion on how a children's health initiative can help bolster and sustain the health system (or at least those providers with the greatest stake in providing care to the uninsured).
- Convene a broader group of stakeholders to discuss strategies and approaches to increasing uninsured children's access to affordable, accessible health care. This meeting could be convened in partnership with The California Endowment's local Fresno office.
- Review and discuss model options and funding strategies for expanding children's access in Fresno County and next steps for achieving identified goals.
- Pursue funding for a local survey of uninsured children and families. This survey could be funded separately or a series of questions could be added to an existing survey. The goal of this survey research project is to collect data - with a large enough sample size - on who the uninsured are (race/ethnicity, family and work status, parent's employer and employer industry, immigration and citizenship status, etc.) and where they are located in the county.

### Recommended Models to Expanding Children's Access in Fresno County

Fresno County faces several barriers in the development of a comprehensive children's access initiative. During the interviews, it was reported that these barriers include: (1) a lack of vision and leadership in how to best address the problem; (2) a funding and political environment focused on contraction rather than expansion and limited resources overall; (3) limited physical access to care in rural areas of the county; and (4) low provider reimbursement rates for Medi-Cal (cited as the lowest in the country) which limits provider supply and reduces the incentive for current providers to accept new patients or work non-traditional hours. Over the course of this assessment, we also found that there are very limited local data sources (other than anecdotal information) that provide demographic information or information on the areas in which uninsured children are located in the county.

Due to a myriad of barriers, it is suggested that a planning and strategy process be initiated prior to identifying any particular model that may work most effectively in Fresno County. While we anticipate that a hybrid of an insurance expansion and enhanced service delivery model may have the greatest likelihood of increasing children's access to health care in the county, until a core group of the leading stakeholders can be convened it is too early to predict which model will be the most effective. Obviously, gaining the insights and buy-in from these key stakeholders is essential to ensuring the success of whichever model is identified and adopted. There is a clear need for developing strategies to expand access to providers in largely rural areas of

the county, as there are definitely large pockets of need in communities such as Parlier, Firebaugh and Orange Grove. Community health centers are the primary providers of health care and enabling services in these areas, and additional funding for transportation to and services at these clinics may go a long way in improving access to care for these residents. For residents who live at least 30 to 45 minutes from a clinic site, a separate mobile van unit could be supported to provide regular health screenings and referrals in connection with nearby schools or worksites.

It is suggested that key players in economic development who have been involved in enterprise zoning in these areas be brought into a planning process and that their understanding of access to federal resources will assist in the identification of potential funding sources for an initiative. In addition, we also propose that this group may consider employer-based approaches - with a focus on key employers in the rural areas - as a strategy to maximize existing dollars being used for health coverage and expanded to increase the availability of affordable dependent coverage for employees working in the agricultural industry.