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Local and Regional Solutions Leading the Way to Covering All Children in California Issue Brief June 15, 2004

Background

Although laudable progress has been made in recent years to enroll uninsured children in public coverage programs in California,¹ economic and policy changes in the last few years have slowed or reversed this trend. The State's current fiscal environment has resulted in deep cuts to outreach activities for existing programs and in burdensome administrative requirements, both of which deter eligible children and families from enrolling in and keeping health insurance coverage. Additionally, double-digit health care inflation has eroded employer-sponsored coverage, particularly for dependents.

These trends have had a significant ripple effect on counties and communities that continue to grapple with the nearly 1 million uninsured children and 4.9 million uninsured adults.² In response to the pressing needs of the uninsured, broad-based coalitions in counties throughout California have created nationally recognized solutions that encompass health systems reform and the provision of affordable health coverage for all children.

Importantly, these solutions have evolved as a *shared responsibility* across both public and private sectors, including local and state government, health plans, hospitals, physicians, community clinics, schools, businesses, labor unions, community and faith-based organizations, and philanthropic organizations.

Local Solutions Creating Policy Change: The Children's Health Initiative

In 2001, Santa Clara County launched its Children's Health Initiative (CHI) with funding from the County, First 5 Santa Clara, the City of San Jose, the Santa Clara Family Health Plan, and private foundations, and with community support through Working Partnerships USA and People Acting in Community Together (PACT). The Santa Clara CHI model has been innovative in three major areas:

¹ As of April 1, 2004, there were 692,798 children enrolled in the Healthy Families program and approximately 3.2 million children and youth ages 0 to 20 in the Medi-Cal program.

² 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.

- **Creating a Bold Vision of Health Coverage for All Children**

This bold vision – 100% coverage of all children living in the county – guides and has been instilled in every aspect of the program’s development and delivery. As a result, the Children’s Health Initiative has resonated with a diverse group of stakeholders, the community, and uninsured children and families.

- **Creating a “One Open Door” Outreach and Enrollment System**

The One Open Door approach has been created as a seamless outreach and enrollment system for families. Although categorical programs and eligibility criteria remain in effect, from the families’ perspective the enrollment process is transparent. County staff and certified community assisters are cross-trained to enroll families in all available insurance programs, with the County Human and Social Services Agencies playing a central role. Furthermore, Santa Clara is one of four counties piloting a universal web-based application so that families can apply for multiple publicly funded programs through a single application. Through Express Lane Eligibility, schools are also streamlining enrollment of children into Medi-Cal.

- **Creating a Comprehensive Healthy Kids Program**

The Santa Clara County CHI targets all children in families up to 300% of the federal poverty level, thereby filling the numerous age, income and other eligibility gaps across all the state’s children’s health insurance programs. The Healthy Kids programs generally mirror the Healthy Families program in providing a comprehensive benefit plan including medical, dental, vision, pharmacy and mental health benefits, and affordable cost-sharing for families (\$4-20 per child per month).³

The Results

Since 2001, the Santa Clara Children’s Health Initiative has enrolled 13,000 children in its Healthy Kids program. And from 2001 and 2002, over 62,000 children in Santa Clara County were newly enrolled in Medi-Cal and Healthy Families.⁴ According to a report issued in June 2004 by Mathematica Policy Research, the Santa Clara CHI model resulted in large enrollment increases in both the Healthy Families program and Medi-Cal. Researchers found that the CHI increased enrollment across HFP and Medi-Cal by nearly 13,500 children or 28 percent. In turn, this increase brought additional state and federal revenue from these programs into Santa Clara County by an estimated \$25 million during the first two years of the initiative.

Although local budgets remain severely constrained, the momentum has increased at the local and state levels to provide health insurance coverage to uninsured children and families. The Santa Clara model was adopted by two neighboring counties in the Bay

³ See the Institute for Health Policy Solutions California web resource center for details on individual Healthy Kids programs at www.cfctac.org.

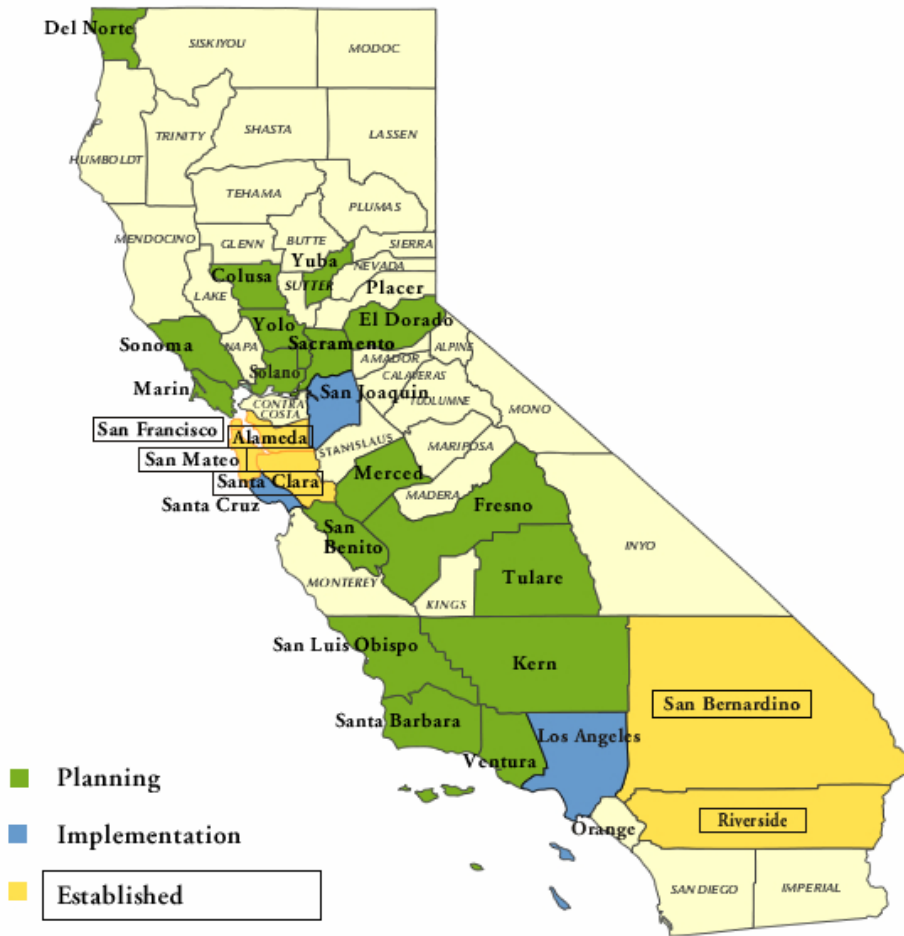
⁴ Mathematica Policy Research, “Expanding Coverage for Children: The Santa Clara County Children’s Health Initiative,” June 2004, <http://www.mathematica-mpr.com>.

Area – San Francisco and San Mateo in 2002 and 2003 – followed by Riverside and San Bernardino in southern California. Los Angeles and San Joaquin launched in the fall of 2003, and Santa Cruz will unveil its program in late June. **Across eight counties, over 35,600 kids are now covered through Healthy Kids, with many more thousands enrolled in Medi-Cal and Healthy Families.**

At least eighteen (18) other counties are in the planning stage of a children’s health initiative and many more are interested (See Figure 1). These counties include: Colusa, El Dorado, Del Norte, Fresno, Kern, Marin, Merced, Sacramento, San Benito, San Luis Obispo, Santa Barbara, Santa Cruz, Solano, Sonoma, Tulare, Ventura, Yolo, and Yuba.

Eleven (11) of these counties are also participating in the development of regional children’s initiatives in the Sacramento Sierra Valley (El Dorado, Yolo, Colusa, Sacramento and Yuba), the Central Valley (Kern, Tulare, Fresno and Merced) and along the Central Coast (Santa Barbara, San Luis Obispo).

Figure 1. Status of Local Children’s Health Initiatives – May 2004



The Road to Covering All Children in California

Local stakeholders, through the Children's Health Initiatives, are the driving force behind the systems changes and expansions to provide health insurance to all California's children. These local and regional programs are supported by a broad array of funders, including several California philanthropies, the State and County First 5 Commissions, local Boards of Supervisors, health plans, providers, businesses, and United Ways. All together, they are currently providing more than \$50 million a year to support the implementation of these innovative programs. Another \$100 million has been committed for the next two years to continue implementation and refinement of these programs. These funds, however, represent transitional investments until state level reforms and long-term policy change occurs to sustain these programs. The next three to five years present a historic opportunity – where local innovation and action, public and political will, and public and private investments come together – to pave the way towards covering all children in California.