

Alabama's Perspective of the Child Health Insurance Program



Cathy Caldwell, MPH; Teela Carmack, JD, MSW, BSW

From the Children's Health Insurance Program, Alabama Department of Public Health, Bureau of Children's Health Insurance, 201 Monroe St, Montgomery, Ala

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Address correspondence to Cathy Caldwell, MPH, Children's Health Insurance Program, Alabama Department of Public Health, Bureau of Children's Health Insurance, 201 Monroe St, Montgomery, AL 36104 (e-mail: cathy.caldwell@adph.state.al.us).

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THE ARTICLES IN this supplement report on a Congressionally mandated evaluation of the Children's Health Insurance Program (CHIP) and highlight the effects of the program on insurance coverage and access to care in 10 study states. Here, we provide some insights on how CHIP has found success in Alabama by providing coverage to uninsured children and ensuring they have access to quality health care.

Currently in Alabama, over 83,000 children are enrolled in CHIP: over 56,000 are enrolled in ALL Kids, which is a separate standalone program administered by the Alabama Department of Public Health, and 26,000 are enrolled in Medicaid. Alabama has seen great progress in reducing the number of uninsured children. Before implementation of CHIP, an estimated 168,600 (15%) of Alabama children were uninsured.¹ In 2013, over 15 years later, of the 1.1 million children in Alabama, 48,000 (4.4%) were uninsured. This is still far too many and our goal is to get these children into coverage, but it demonstrates a large decline since the inception of CHIP.² This progress is attributed to many key factors and decisions made at the state and federal level.

On January 30, 1998, the Department of Health and Human Services Secretary, Donna E. Shalala, announced that Alabama was the first state in the nation to receive approval of its State Plan to provide health insurance coverage through CHIP. A press release from that day included Secretary Shalala's words, "The Children's Health Insurance Program gives hope to millions of American families who work hard and play by the rules, but don't make enough money to give their children the health care they need." She added, "I'm pleased to announce that Alabama is ready to start investing in thousands of those families."³ That same year, the Department of Health and Human Services announced that Alabama was also the first state to have a major CHIP expansion approved.⁴ Alabama's excitement over its quick action to implement this program for children has continued as the program's success has grown.

The flexibility that the CHIP regulations afford has allowed Alabama to design a separate CHIP that looks like

commercial insurance. This flexibility has been popular with elected officials, providers, and families. Since the early stages of CHIP planning, there have been partnerships with a host of agencies, advocates, and health care providers, all of whom have had the opportunity to provide input into the design and operation of the program. That buy-in, along with the opportunity to craft a plan that fits with the state's needs has been paramount to the program's success.

From its inception, Alabama's CHIP has been committed to providing services from a family-friendly, administratively simple approach. To this end, Alabama has always valued collaboration, including stakeholders in all phases of program development and administration. The simplicity of the application process, the comprehensive benefits delivered through a commercial carrier, and the access to care are among the components that have made the program popular. The inclusion of cost sharing has been well received by elected officials and families. Providers are paid on a timely basis and at commercial rates, allowing enrollees access to quality health care services.

The inclusion of outreach in the CHIP program is another key component to success. One of the original goals of ALL Kids was to assure that potential applicants could easily obtain information and enrollment materials in their communities. ALL Kids placed staff in public health offices throughout the state to make their communities aware of insurance options for children. Outreach and education emphasized the importance of health insurance and having a medical home. Press releases, talk shows, print media, and paid advertisements on television and radio supported these messages. Targeted audiences included families with children, state agencies that serve families, advocacy groups, and community-based organizations. ALL Kids staff focused on participation in community events, health fairs, and professional organization conferences held throughout the state. Outreach and education efforts communicated messages to educate and prepare contacts already working with families of eligible children. The approach was to, "Teach the people who reach the people." Hospitals, physician and dental offices,

along with health centers and other provider offices became effective sites for outreach. Trained coordinators at these locations linked families with uninsured children to ALL Kids by providing information and applications.

ALL Kids has had a close relationship with Medicaid which makes the transition of children between programs seamless. ALL Kids and Medicaid demonstrated their commitment to filling the coverage gap at the beginning of the program by using a joint application and by continuing to evaluate each programmatic decision for improvements. Close collaboration with Medicaid was fundamental in planning Alabama's CHIP and continues to be vital to the further development of ALL Kids. ALL Kids and Medicaid coordinated the development of ALL Kids' eligibility criteria to align with Medicaid's eligibility criteria and, after the implementation of the Patient Protection and Affordable Care Act of 2010,⁵ both programs can award either coverage which supports the Affordable Care Act's no wrong door requirement.

CHIP is a very efficiently managed program. In Alabama, the administrative cost is less than 6% of total cost, 99% of applications are processed within 10 days and 90% of claims are processed within 14 days, ensuring providers are paid on a timely basis.

The extension of CHIP funding beyond fiscal year 2015 is critically important to continue to provide quality health care for children. Alabama's most recent data indicate that CHIP remains a successful program. For example, 90% of enrollees have at least 1 visit with a primary care physician annually and the immunization rate for 2-year-old children is over 70%. Alabama encourages families to seek preventive care over emergency care and has seen success, evidenced by the fact that only 10% of enrollees with asthma have an asthma-related emergency room visit and over 80% of enrollees with diabetes have an annual A1c test. Alabama provides an enhanced, child-based dental

benefit and enrollees receive oral health care. More than 60% of children receive a dental visit within 90 days of enrollment. CHIP also takes care of very sick children. Last year alone, Alabama provided coverage to 33 children with leukemia. In May, Alabama covered a sound processor for a cochlear implant for a 14-year-old boy with hearing loss, allowing him to hear clearly. In June, Alabama enrolled a 7-year-old uninsured child hospitalized with pneumonia, and also enrolled a 13-year-old uninsured girl with cystic fibrosis who had not been able to purchase her medication. These stories are not unique; they are heard every day. Alabama is very passionate about taking care of these children who, without CHIP, would likely be uninsured and unable to access the care that they need.

Across the nation there are children enrolled who depend on an extension of CHIP funding. Continuation of the program is critical to these children. CHIP was implemented to give children access to health insurance. There is still a need for CHIP, a highly successful program that has provided routine and life-saving care to children who, without CHIP, would likely be uninsured.

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