At the Crossroads: Achieving Health Insurance Coverage for Texas Children
Statewide Outreach Conference
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Sarah Shuptrine's Remarks
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It is a genuine pleasure for me to join you today for this first ever Texas child health coverage outreach conference. It is a momentous occasion indeed!

I'm particularly pleased to be here with José Comacho and Marisa de la Garza, who are doing such a great job of directing the Texas *Covering Kids* initiative, and Bryan Sperry who heads up the Children's Hospital Association of Texas. Bryan and I were fellow conspirators during the early days of the initiatives that expanded Medicaid for pregnant women and children. That was in the mid 1980's.

There's no doubt that a great deal of progress has been made since then. But not enough progress. It is amazing and disheartening that when we crossed the threshold of the 21st Century, in the most powerful nation in the world, we still had close to 10 million children who did not have health coverage. Most of these children live in low-income, working families who cannot afford to pay for health coverage.

In trying to get a handle on the number of uninsured children who are eligible for Medicaid or SCHIP in each state, we look to the number of children whose families have incomes at or below 200 percent of the federal poverty level. The income eligibility level is based on family size. For a family of three, 200 percent fpl is $28,300 annual income.

Texas ranks second among all states in the percentage of uninsured children in families at or below 200 percent of poverty. Approximately 17.4 percent of uninsured children below 200 percent of poverty in Texas are without health coverage. These uninsured children would qualify for Texas Medicaid or TexCare, the Texas SCHIP program, and this makes it possible for us to give them the many advantages child health coverage can bring. We must do everything in our power to use these programs to reduce the number of low-income uninsured children.

Let's look at the numbers. An estimated 1,058,000 Texas children are uninsured and eligible for Medicaid or TexCare. 658,000 uninsured children are eligible for Medicaid and an additional 400,000 uninsured children are eligible for TexCare.

Enrolling uninsured children in these health coverage programs will improve their opportunity to receive preventive and primary care. Study after study has shown that health coverage equals better access. Children without health coverage are less likely to have a regular source of medical care, they are more likely to receive care in a hospital emergency room, they are less likely to seek care for injuries or to be immunized.

It's smart public policy and smart economic policy to see that no child is denied access to health care because of an inability to pay. From a state and national policy standpoint, we are making substantial progress toward meeting that goal because of the increases in eligibility levels across the country. The major challenge we have before us today is to assure that families know about the Medicaid and SCHIP health coverage opportunities and to make sure that the application and reapplication processes do not serve as barriers to enrollment and retention of coverage.

And, we must be effective at stressing that both Medicaid and SCHIP provide coverage for children in working families and two parent families. These important messages are part of the strategy to communicate that these first rate child health coverage programs are not welfare programs. Improving access to child health coverage for low-income children is what *Covering Kids i*s all about. And we are passionate about making it happen.

The three goals of *Covering Kids* are 1) to conduct effective outreach to identify and enroll low-income uninsured children in health coverage programs, primarily Medicaid and SCHIP, 2) to simplify the application and redetermination processes, and 3) to achieve coordination of child health coverage programs so that children do not get lost in a maze of rules and regulations that create confusion about eligibility criteria. Enrolling eligible children takes action on all three fronts!

Covering Kids is sponsored by The Robert Wood Johnson Foundation. There are *Covering Kids* statewide initiatives in all 50 states and the District of Columbia and 172 local pilot projects in communities nationwide.

Each *Covering Kids* statewide initiative is led by a broad-based statewide coalition composed of representatives from the public and private sectors. The local pilot projects are laboratories for

the statewide coalitions enabling states to try new approaches and test strategies, and once again, these local projects are led by public/private coalitions.

For *Covering Kids*, collaboration is the watchword. Here in Texas, the collaboration that has taken place is producing results, but there is a great deal more to do to address the outreach, simplification and coordination challenges that you face.

To identify policies that are keeping eligible children from becoming enrolled requires a thorough review of eligibility policies and enrollment procedures. And once policies are enacted, efforts must be dedicated to seeing that they are implemented on a statewide basis.

On the policy level, states across the country are taking action. *Covering Kids* projects in numerous states have worked toward and been gratified by the adoption of simpler policies with regard to application, verification and eligibility for Medicaid and SCHIP. And many states have developed shorter and easier-to-understand (and administer) application forms as a result of changes in eligibility policy.

I'd like to share with you some examples where *Covering Kids* partners have worked effectively to enact policies that will help more eligible children to actually become enrolled for Medicaid and SCHIP.

Idaho: Largely because of the work of *Covering Kids* in Idaho, last year Idaho implemented 12-month continuous eligibility, self-declaration of income and assets and eliminated face-to-face interviews for Medicaid and SCHIP.

South Carolina: The state of South Carolina adopted a training program for child health coverage enrollment that was developed by the South Carolina *Covering Kids* initiative. The program will be used to train local eligibility determination workers in customer service, motivation, and sensitivity training.

Pennsylvania: Pennsylvania awarded 20 mini-grants last fall to replicate successful outreach strategies developed by Pennsylvania *Covering Kids* pilot sites.

Texas: *Covering Kids* in Texas was instrumental in efforts that led to the announcement in October 2000 that the Texas Department of Human Services Board voted to eliminate the face-to-face interview at the six-month recertification period for Medicaid. Final approval by the Texas Health and Human Services Commission will help children maintain coverage.

In addition, the Texas Department of Human Services has simplified Medicaid eligibility by modifying or eliminating some verifications and permitting self-declaration in some instances.

We will keep a sharp eye focused on Texas in the hope that additional policy changes will be enacted and that these policies will translate to improved access to child health coverage for low-income children.

As you strive to make the eligibility process more family friendly, a critical issue will be to address the differences in policies across the Texas Medicaid Program and TexCare.

It's very hard from a public policy perspective to understand why there should be policy differences in these child health programs. The differences in Texas include a face-to-face interview requirement for Medicaid while allowing other avenues of application for TexCare, assets testing for Medicaid and not TexCare, and redetermination every six months for Medicaid while TexCare allows 12 months continuous coverage.

Policy differences between Medicaid and SCHIP programs often result in separate applications, as is done in Texas, in an attempt not to confuse families. However, having separate applications that reflect differing eligibility policies sends a message to families that the two programs are different when in fact they both provide child health coverage for working families. Although Texas has taken steps to set up systems for referral, having separate applications for Medicaid and SCHIP complicates the process for families, outreach workers, eligibility determination workers and others who may assist in the enrollment of eligible children. The far better approach is to reduce the policy differences between the two programs so that the application can be the same.

It's important to note that simplification of the application and redetermination processes not only helps more eligible children to become enrolled, it also relieves overburdened eligibility staff from all the dotted i's and crossed t's that they now must cope with. Reducing the complexity of the eligibility process can and does relieve the incredible paperwork burden, allowing eligibility staff to become part of the community's effort to help children. Eligibility staff are the true experts and involving them in outreach can and does produce results. Two states that are in the forefront of utilizing the talents of eligibility staff in outreach are Georgia and Indiana.

An issue that will be given tremendous attention by the *Covering Kids* National Program this year will be retention of SCHIP and Medicaid children as long as they remain eligible under program criteria. While many states are experiencing success in enrolling millions of children in Medicaid and SCHIP, we are at the same time losing thousands of children in the redetermination or transfer process. There appear to be a number of reasons why this is occurring, including a lack of understanding that coverage can be continued when families leave welfare for work. Also, unfriendly redetermination policies and procedures and computer system failures contribute to a loss of coverage for children who remain eligible under program rules.

Most state eligibility computer systems nationwide were designed to meet welfare rather than Medicaid-specific program needs. These systems have not kept pace with policy changes since 1996, and one consequence has been erroneous Medicaid terminations.

HCFA issued a letter to state Medicaid Directors in April 2000 stating that once a problem with a state's computerized eligibility system has been identified, the state must take immediate action to correct the problem. This letter is posted on the HCFA website. This guidance will help, but resources often are the biggest hurdle.

Other national challenges include the fear that immigrant families feel when considering applying for government sponsored child health coverage. The fact is that 85 percent of all immigrant families are families in which at least one parent is a non-citizen and one child is a citizen. Yet the fear of possible consequences is keeping non-citizen parents from applying for their eligible citizen children.

In addition to the INS Public Charge guidance released last year, there is a need for a brief one-page flyer that outlines the basics families need to know. HRSA is working with the *Covering Kids* National Program Office on a simple flyer to accompany a detailed, full-color public charge brochure it produced in limited quantities late last year. We'll have more news on that in the coming months.

An additional national issue is that migrant families who are Medicaid eligible cannot take their child health coverage with them from state to state as they follow work opportunities. The Texas *Covering Kids* initiative is working on this issue, and hopefully Texas can provide some needed national leadership in this important area.

Another issue that has posed barriers to enrollment has been lack of understanding that no child can be denied Medicaid coverage due to lack of cooperation on the part of an adult in paternity establishment. This past December, HCFA issued long-awaited guidance in a state Medicaid directors letter stating that, under federal law, a parent's cooperation in establishing paternity and providing third-party medical liability information cannot be required as a condition of eligibility on a child-only Medicaid application. Therefore, states are not required to ask about paternity or seek cooperation in pursuing medical support when an application for Medicaid or a redetermination is performed on behalf of a child.

This clarification helps to get the message across that Medicaid is not a welfare program – it's about child health coverage. An application for child health coverage can certainly present an opportunity to let custodial parents know about the opportunities available to them through child support collection agencies, but it must be made clear that cooperation is not required when only the child is the applicant.

There are a number of outreach and enrollment opportunities that *Covering Kids* is promoting, and we will be doing more of that as we learn from the state and local initiatives. One opportunity that all states should be pursuing with vigor is to involve hospitals, physicians and other providers in the identification and enrollment of eligible children.

Kids Connection, the Medicaid expansion program in Nebraska, has implemented effective provider involvement through its statewide provider outreach campaign. The campaign included print and video products that showed providers what's in it for them with regard to participation. An added plus was the support of Nebraska's governor, who appeared in the videos.

At our *Covering Kids* Annual Meeting last fall, a member of the Board of Trustees of the American Medical Association pledged his organization's support for physician outreach and pointed out that involving medical students is an important strategy for reaching physicians and their office staff, not to mention that it presents one of the strongest avenues for reaching new doctors. He stated that doctors listen to their medical students. And continuous eligibility helps enroll and retain providers by facilitating stability of coverage for children. I hope you run with that tip.

Another important group to target for outreach is the employer/business community. Last year, the *Covering Kids* Illinois project developed an Employer's Training Guide for use by employers or other entities that plan to educate employees about Medicaid and SCHIP eligibility and

application requirements. This toolkit was used to educate the senior staff of the Illinois Chapter of the Hotel/Motel Association.

The staff of the Illinois *Covering Kids* initiative and other community-based agencies scheduled time onsite at various hotels/motels over the course of several months to answer questions and disseminate Medicaid and SCHIP information. As a result of this effort, a mailing was sent to potentially eligible families and garnered a 97 percent return rate on completed applications.

Because one-third of Latino/Hispanic children are uninsured, it is critical that we reach out to these families. *Covering Kids* developed a Latino Outreach Kit last spring and a Spanish-language video on child health coverage is in development with completion slated for early spring.

Electronic applications and reapplications are of great interest and no doubt represent a promising new approach to outreach, enrollment and retention. *Covering Kids i*s currently holding focused discussions with a number of our statewide lead organizations to share information and learn more about the potential for electronic eligibility determinations.

The scope of the issues *Covering Kids* initiatives are addressing is impressive and we will be sharing information on our website and in our publications as we go along.

For example:

- 16 statewide projects and 21 pilot projects are focusing outreach specifically on Latino/Hispanic families.
- 14 states and 22 pilots are focusing outreach on adolescents.
- 10 statewide projects and 10 pilot projects are focusing outreach on Native American families.
- 15 states and 26 pilots are conducting outreach targeting rural/frontier populations.

Also,

- 28 statewide projects and 50 pilot projects are conducting organization outreach to businesses/employers.
- 13 statewide initiatives and 26 pilot projects are conducting targeted outreach through the faith community.
- 12 statewide projects and 45 pilot projects are conducting targeted outreach through providers.
- 34 statewide projects and 74 pilot projects are conducting organized outreach initiatives through schools.

Outreach through schools has received special attention from *Covering Kids*. We are promoting the development of effective local partnerships between the schools and the eligibility agency.

As I mentioned before, local eligibility staff can make a tremendous difference in achieving effective outreach and this is especially true for school based outreach. Schools feel a tremendous strain on their resources and will be much more likely to become involved in outreach and enrollment efforts if they are partnering with persons who can handle the eligibility component.

Within the very near future, *Covering Kids* will be releasing a report of a 50-state survey on coordination between child health coverage agencies and the school lunch program. Watch our website for release information.

For several years, *Covering Kids* at the national, state and local levels has participated in back-to-school campaigns. This past year brought a big push during the back-to school period with the addition of significant new resources provided by The Robert Wood Johnson Foundation to test media approaches.

A national event in August kicked off the *Covering Kids* back-to-school media campaign. Materials were provided to all *Covering Kids* projects and a special targeted media effort with on-the-ground resources was tested in six target markets. A workshop session will be presented this afternoon on "Informing Your Message" where more information will be provided.

There is no doubt that the media campaign resulted in spectacular coverage, national and local, and we are making every effort to determine the impact on applications filed and, very importantly, applications approved. I'd like to show you a short video of the August 9 kick-off event in Washington, DC, and a sampling of the media coverage. (video)

I don't know about you, but it makes me feel wonderful to see the kind of attention that is now being given to getting the word out to families about Medicaid and SCHIP and to see the hope that it is bringing to millions of children.

The numbers we are hearing about are sounding good. This summer it was announced that for the first time in 12 years, the number of uninsured citizens declined in 1999. Out of the reduction of 1.7 million uninsured individuals, two-thirds were children, many of whom had obtained public coverage.

Earlier this month, it was announced that 3.3 million children have been enrolled in SCHIP in 2000, a 70 percent increase over enrollment in 1999. HHS included Texas on its list of top-performing states for SCHIP enrollment.

Medicaid enrollment numbers have increased nationally, but we must plug the leaky redetermination bucket in order to maintain the retention of eligible children under both Medicaid and SCHIP!

We certainly hope that *Covering Kids* projects nationwide have played a role in the trend toward reducing the number of uninsured children. One thing is for sure, there is no time for rest. Every day that low-income children go without health coverage is a day that children are missing out on the kind of preventive and primary care that can help them thrive.

There is no doubt that the potential for dramatic reductions in the number of uninsured children in Texas is very real. Policy changes will be key to your success in simplifying and effectively coordinating your child health coverage programs to produce the results you want.

This conference is clear evidence that Texas is ready to take action in a big way. I urge you to come out of this conference with a commitment to stay on course until the low-income children of Texas have coverage.

You have the full support, consultation and assistance of the *Covering Kids* statewide lead organization and of the *Covering Kids* National Program Office (NPO), and we hope you will let us know what we can do to help.

As a native Texan, I can’t help but have this very special place in my heart for the children of Texas. I know you will do everything in your power to see that they are not denied the advantages that health coverage can bring to their lives.