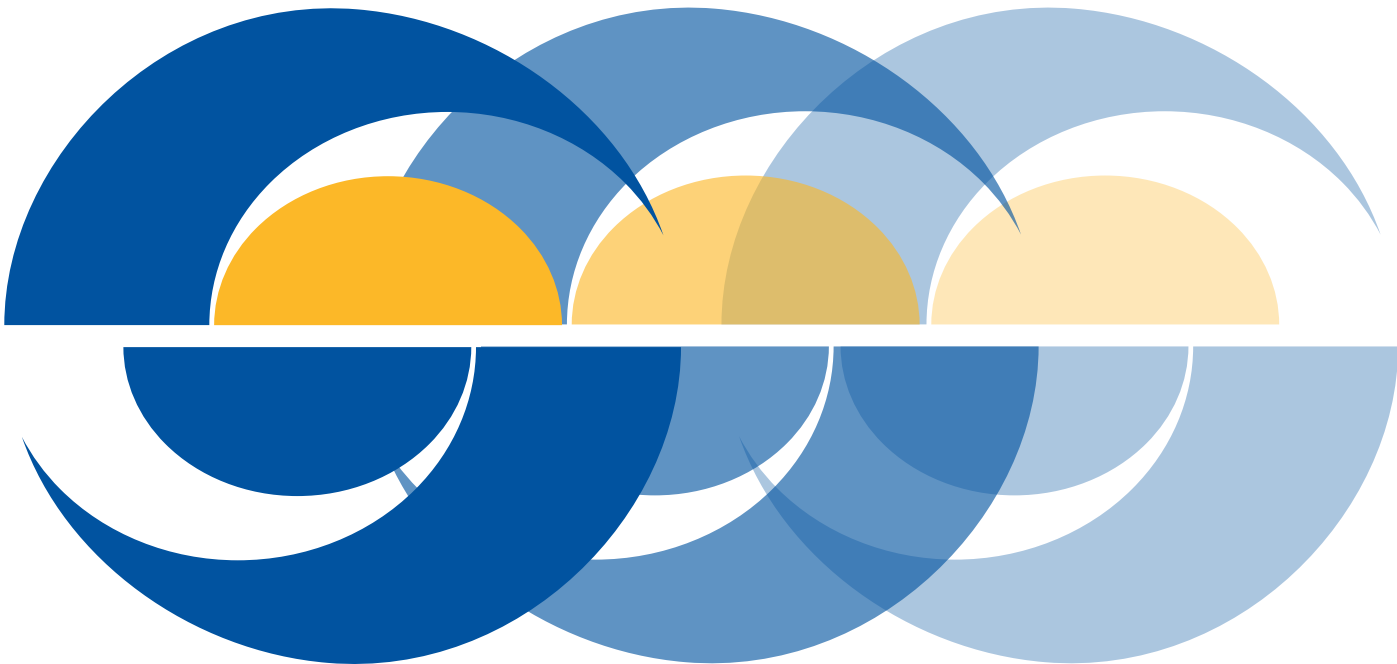


Southern Institute
ON CHILDREN AND FAMILIES

2006 ANNUAL REPORT





Mission Statement

The Southern Institute on Children and Families is an independent, non-profit organization that improves the well-being of children and families through knowledge, leadership and action. We educate through research of policies, systems and practices. We generate greater awareness and equip community and business leaders and policymakers with knowledge to make informed decisions. The Southern Institute on Children and Families is funded through grants and contributions. The southern states included in the work of the Southern Institute on Children and Families are: Alabama, Arkansas, Delaware, District of Columbia, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, Missouri, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia and West Virginia.

The Southern Institute on Children and Families directs national, regional, state and local programs and projects consistent with our mission, with a special focus on the southern region of the United States.

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Southern Institute

ON CHILDREN & FAMILIES

Knowledge - Leadership - Action

ANNUAL REPORT

2006

TABLE OF CONTENTS

Table of Contents	ii
Letter from the Founder	1
Letter from the Chairman	2
Letter from the President and CEO	3
Acknowledgements	4
Background and Introduction	5
Increasing Knowledge of Issues and Action Strategies Related to Child and Family Well-Being	7
Uninsured Children in the South, Third Edition	7
Chartbook of Major Indicators	8
Building the Capacity of Partnerships and Coalitions to Achieve Results	9
Coalition Consultation Services	9
Improving Employment Stability in the Lower-Wage Workforce	10
Southern Business Leadership Council	10
Improving Access to Public Benefits	13
Covering Kids & Families	13
Southern Regional Initiative on Child Care and Early Education	16
Improving the Efficiency and Effectiveness of Public Programs	19
Carolina Nutrition Alliance	19
Children’s Hospitals Eligibility Process Improvement Collaborative	21
Louisiana Eligibility Process Improvement Collaborative	23
Medi-Cal Eligibility Process Improvement Collaborative	24
Select Health of South Carolina, Inc. Consulting Engagement	25
Centers at the Southern Institute	26
On the Horizon for 2007	29
References	32
Photo Credit	32
Staff	33

LETTER FROM THE FOUNDER



The Southern Institute on Children and Families celebrated its 16th anniversary this year. When I founded the Southern Institute in 1990, it was the only non-profit organization that worked across an entire region of the United States to improve opportunities for lower-income families and children. We have remained unique in that regard. Over the years the Southern Institute has broadened its reach to work across the nation while maintaining special initiatives targeted to the South. We are grateful for the foundations, corporations and individuals that have supported our initiatives to improve the well-being of children and families.

There have been a number of significant accomplishments that have been led and/or assisted by the Southern Institute since 1990. Our early success in promoting Medicaid expansions for children in lower-income, working families in the southern states was the precursor of a national movement to improve access to public child health coverage. Our cutting edge research on Medicaid eligibility barriers resulted in significant state and federal reforms and paved the way for the more accessible application and renewal policies and processes in effect today. These accomplishments helped build powerful state, regional and national partnerships that made a tremendous difference in breaking down barriers to public health coverage.

The Southern Institute developed the nation's first family-friendly outreach materials that informed lower-income families about how to access Medicaid, the Earned Income Tax Credit, child care and Food Stamp Program benefits. These outreach materials were replicated in all 17 southern states by 1998, along with several states in other parts of the country. This research-based outreach initiative significantly contributed to improvements in the appearance and readability of the public health coverage outreach and enrollment materials for lower-income families that are widely available today.

The Southern Institute believes in the power of collaboration and this has been a hallmark of many of our initiatives. We have earned a national reputation for our effectiveness in bringing together non-traditional partners to develop action plans and achieve results. Our Southern Regional Task Force on Child Care and Early Education and our Southern Business Leadership Council are examples of collaborative efforts that engage public and private sector leaders in identifying issues, developing solutions and implementing recommended actions.

I am honored to have served as the Southern Institute's President and CEO since its founding. As we look to the future, the time is right for me to transition to the Board of Directors where I will continue to strongly support our mission. Nicole Ravenell has been elected President and CEO of the Southern Institute. Ms. Ravenell joined the Southern Institute in 2000 and most recently held the position of Vice President for Operations. She holds a Master of Public Policy Degree and is a nationally recognized policy expert on issues related to lower-income families and children. Ms. Ravenell will be a great leader for the Southern Institute and she will be supported by a terrific, mission-driven staff. With the active support of our Board of Directors, led by Chairman Beegie Truesdale, and the leadership of Nicole Ravenell, the Southern Institute can look forward to many more years of building knowledge and leadership to achieve action on behalf of lower-income families and children.

Sarah C. Shuptrine, Founder
Member, Board of Directors

LETTER FROM THE CHAIRMAN



Momentous is the only word I can think of to describe this year gone by for the Southern Institute on Children and Families. Few organizations have been blessed with 17 years of stewardship from as strong and visionary a leader as Sarah Shuptrine. Her character, her insistence on integrity and excellence in the work product of the Southern Institute and her ability to attract and retain an incredibly talented staff, all have built the Southern Institute into the strong, respected organization that it is today. Fortunately, Sarah will continue to make a major contribution as a member of the Board of Directors where she will be specifically focused on development, as well as working closely with the Southern Business Leadership Council.

Of no less consequence in this period of transition for the Southern Institute is our great fortune in having Nicole Ravenell assume the responsibilities as our new President and CEO. Nicole already has demonstrated some of the very essential qualities of leadership so necessary to stability at the Southern Institute. Along with those qualities, she also brings a freshness of perspective necessary to moving us into the future.

Our strong and ever-growing reputation for credible research, results-driven direction of projects and initiatives and effective collaboration across public and private sectors has resulted in opportunities to work in a number of mission-focused areas to improve opportunities for lower-income families and children during the past year. As you will see in the pages that follow, families and children in every state in our nation were touched in some way in 2006 by the work of the Southern Institute.

Moving forward, there are many who deserve recognition. On behalf of the Board of Directors, I want to thank the foundations, corporations, government agencies and private donors that have and continue to support the Southern Institute's important work. But in the end, I believe the most profound expression of our appreciation to those who support us comes not from words but from the excellence of the work done by the Southern Institute's staff. It is their expertise, creativity, innovation and energy that fulfill the promise of our mission.

There is a country music song that in the lead lines of its chorus admonishes the listener: "When you dream, dream big." I believe that is what Sarah Shuptrine did when she founded the Southern Institute. From that beginning, the focus of the Southern Institute, our President and CEO, our staff and the Board of Directors has been and continues to be to effectively serve lower-income families and children. But, our goal is to help these families achieve their full potential and enable each of them to "dream big."

Beegie Truesdale
Chairman
Board of Directors

LETTER FROM THE PRESIDENT AND CEO



Since 1990, the Southern Institute on Children and Families has been one of the strongest voices speaking out on behalf of lower-income families and children across the South and the entire nation. Our founder, Sarah Shuptrine, built an exceptional organization in the Southern Institute that has helped increase opportunities for millions of lower-income families to better meet the basic needs of their children. I am passionate about the work the Southern Institute performs and I was honored to be elected as its new President and CEO.

I invite you to read through the following pages, which provide rich perspective on all of the Southern Institute's 2006 activities designed to fulfill our mission of improving opportunities for lower-income families and children. Throughout the year we conducted research and directed both new and ongoing initiatives and projects to raise awareness of and improve access to Medicaid, the State Children's Health Insurance Program, the Food Stamp Program and other public benefits; engage the business community in efforts to improve employment stability in the lower-wage workforce; empower health care providers and state and local governments to improve eligibility processes in public health coverage programs; and improve access to quality, affordable child care and early education.

I am proud to announce several new projects funded in 2006. The Southern Institute received funding for our Process Improvement Center to direct Eligibility Process Improvement Collaboratives in Louisiana and California and to conduct a process improvement consulting engagement with a South Carolina Medicaid managed care organization (see the Improving the Efficiency and Effectiveness of Public Programs section beginning on page 19 for additional details). The Southern Institute also received grants and contributions to support the Charlotte, North Carolina and Upstate South Carolina Employer Projects, which are part of the overall Southern Business Leadership Council Employment Stability Action Plan initiative (see page 10).

In addition to these new projects, I also want to recognize three initiatives completed by the Southern Institute in 2006. The Carolina Nutrition Alliance (2004 - 2006) was an innovative project in South Carolina to increase Food Stamp Program participation using process improvement strategies and faith outreach collaboration (see page 19). The Children's Hospitals Eligibility Process Improvement Collaborative (2005 - 2006) assisted state and local eligibility offices in streamlining public health coverage application and renewal processes in children's hospitals (see page 21). The Southern Regional Initiative on Child Care and Early Education (2000 - 2006) contributed to improving access to quality, affordable child care and early education for lower-income families in the South (see page 16).

I want to acknowledge the generous financial support from individuals, corporations, foundations and government agencies; the valued leadership of the Board of Directors; and the commitment and hard work of our staff for making 2006 such a successful year for the Southern Institute. The future is bright and we are in a strong position as we move forward. I am excited to serve the Southern Institute as President and CEO, and I am committed to advancing our mission of improving the conditions in which lower-income families live, work and raise their children. I proudly present our *2006 Annual Report*.

Nicole Ravenell
President and CEO

ACKNOWLEDGEMENTS

The Southern Institute on Children and Families expresses sincere appreciation to the foundations, corporations, government agencies and private donors that contribute to our work on behalf of lower-income families and children. Foundations, government agencies and corporate sponsors are listed below.

Grants

Annie E. Casey Foundation
California HealthCare Foundation
Henry J. Kaiser Family Foundation
Louisiana Department of Health and Hospitals
Mary Black Foundation
Robert Wood Johnson Foundation
United States Department of Agriculture
Washington Area Women's Foundation

Corporate Contributions

AT&T
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BlueCross BlueShield of South Carolina
The Capital Group Companies Charitable Foundation
Carnegie Corporation of New York
Coca-Cola Bottling Co. Consolidated
GlaxoSmithKline
Greenville Hospital System
Michelin North America, Inc.
Morris & Carrick, Inc.
Nelson Mullins Riley & Scarborough, LLP
Spartanburg Regional Healthcare System
Wachovia Foundation
William Carrick Consulting

BACKGROUND AND INTRODUCTION

The Southern Institute on Children and Families is a non-profit, public policy organization established in 1990 that improves the well-being of lower-income families and children. We work with local, state and federal policymakers and administrators, community leaders, advocacy organizations, foundations and businesses to develop and implement action strategies that increase the likelihood that lower-income families can meet the basic needs of their children while building resources that result in greater opportunities for brighter futures. The Southern Institute conducts local, state, regional and national projects and initiatives consistent with our mission, with a focus on 17 southern states and the District of Columbia.

The Southern Institute's *2006 Annual Report* is organized around five focus areas of our work, each of which comprises a key component of our overall effort to improve opportunities for children and families across the South and the nation:

- **Increasing Knowledge of Issues and Action Strategies Related to Child and Family Well-Being**
- **Building the Capacity of Partnerships and Coalitions to Achieve Results**
- **Improving Employment Stability in the Lower-Wage Workforce**
- **Improving Access to Public Benefits**
- **Improving the Efficiency and Effectiveness of Public Programs**

Brief descriptions of each focus area and activities performed to address them are provided below. Three centers at the Southern

Institute work independently and jointly on the design and implementation of projects and initiatives to address the five focus areas. The Policy and Research Center, Process Improvement Center and Program Design and Management Center are referenced throughout the *2006 Annual Report*, and detailed information on each center appears on page 26.

Increasing Knowledge of Issues and Action Strategies Related to Child and Family Well-Being

The Southern Institute provides credible, research-based information to public and private sector leaders to assist them in making informed decisions on issues that impact child and family well-being. During the past year, the Southern Institute initiated development of the third edition of *Uninsured Children in the South*, a research report that provides state-by-state data on uninsured children and data on pregnant women from select states. It also outlines policy recommendations on actions states can take to simplify public health coverage programs for eligible, uninsured children and pregnant women. Another example of the Southern Institute's work to inform leaders is our *Chartbook of Major Indicators: Conditions Placing Children in the South at Risk*. This resource provides graphics on the South and data for all states to inform decisions on indicators that impact child and family well-being. Please refer to page eight for additional information regarding our work in this area.

Building the Capacity of Partnerships and Coalitions to Achieve Results

The Southern Institute increases the effectiveness of collaborative partnerships and

coalitions focused on improving the lives of families and children in achieving results and sustaining their efforts. Staff experts provide guidance and training to build the capacity of participants in Southern Institute initiatives (refer to the *Covering Kids & Families* section on page 13) and offer consultation services to individual coalitions, as well as foundations and other organizations that depend on coalition-driven initiatives to achieve their program goals. Information on our work in this area begins on page nine.

Improving Employment Stability in the Lower-Wage Workforce

Strategies that improve opportunities for lower-wage workers to achieve employment stability have mutual benefits for families and employers. A description of the Southern Institute's work in this area appears on page 10. It is followed by information on our Southern Business Leadership Council, a unique effort to engage business leaders in the development and promotion of public and private sector strategies to address barriers to stable employment in the lower-wage workforce and to achieve greater opportunities for child development.

Improving Access to Public Benefits

The Southern Institute is well-known for developing and implementing initiatives to increase awareness of and improve access to public benefits for lower-income families and children. A description of our work in this area begins on page 13. This section presents information on our leadership of the national *Covering Kids & Families* initiative to reduce the number of children and adults eligible for but not enrolled in public health coverage and the Southern Regional Initiative on Child Care and Early Education to improve access to quality, affordable child care and early education.

Improving the Efficiency and Effectiveness of Public Programs

The Southern Institute utilizes quality improvement theories and principles to assist public and private sector groups in improving processes within public benefit programs and services for children and families. This section begins on page 19, and it includes information on our work with the states of California and Louisiana, a South Carolina Medicaid managed care organization and a group of children's hospitals from across the country to improve public health coverage eligibility processes. The Southern Institute's Carolina Nutrition Alliance project to improve processes of and access to the Food Stamp Program also is described.

The Southern Institute has a rich history of conducting research and leading projects and initiatives designed to improve opportunities for lower-income parents to meet the basic needs of their children, and we have a strong action agenda planned for the future. In addition to the activities described throughout our *2006 Annual Report*, the On the Horizon section (see page 29) describes ongoing and future projects of the Policy and Research Center, Process Improvement Center and Program Design and Management Center related to the five focus areas presented above. For the most current information available on Southern Institute activities, including a chronology of major activities conducted since our founding in 1990 and a complete listing of Southern Institute publications on issues related to lower-income families and children, please visit <http://www.thesoutherninstitute.org/>.

INCREASING KNOWLEDGE OF ISSUES AND ACTION STRATEGIES RELATED TO CHILD AND FAMILY WELL-BEING

Public and private sector leaders seek information to assist them in making informed decisions on issues that affect lower-income children and families. The Southern Institute on Children and Families is a respected resource for credible, research-based information on public policy issues that impact child and family well-being. We analyze pressing problems facing lower-income families and children and provide

state and federal policymakers and the business community with timely, accurate information and tangible solutions. The following information describes the Southern Institute's work to increase knowledge of issues that will assist public and private sector leaders in developing and implementing action strategies to improve opportunities for lower-income families and children.

Uninsured Children in the South, Third Edition

The federal Medicaid program has been the primary source of health coverage for poor and lower-income children across the country since 1965. Medicaid, together with the State Children's Health Insurance Program (SCHIP) authorized by Congress in 1997, offers health coverage for millions of children who would otherwise go uninsured. Despite the availability of these programs, many eligible children do not participate in them. The Southern Institute on Children and Families is a nationally recognized leader in improving access to public health coverage for lower-income children, and we recognize the need and opportunity to provide states with data to assist them in making informed decisions about health coverage for uninsured children.

With support from the Henry J. Kaiser Family Foundation, the Southern Institute released the first edition of *Uninsured Children in the South* in 1992. The report provided state-by-state data on estimates of uninsured children with age and income breakouts related

to Medicaid for Alabama, Arkansas, Delaware, the District of Columbia, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, Missouri, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia and West Virginia. The report was well-received by officials and advocates who considered it a credible source of data as they attempted to expand access to coverage for lower-income, uninsured children. Popularity of the report led the Henry J. Kaiser Family Foundation to fund a second edition of *Uninsured Children in the South*, which was released by the Southern Institute in 1996. Both editions served as catalysts for action in southern states.

In December 2005, the Henry J. Kaiser Family Foundation funded the Southern Institute to publish a third edition of *Uninsured Children in the South*. During 2006, the Southern Institute's Policy and Research Center developed the report's methodology and structure. The Southern Institute also recruited Medicaid and SCHIP



officials and state data analysts from several of the states in the southern region to serve on Data and Policy Subcommittees to assist with development of the report. The Southern Institute has excellent relationships with Medicaid and SCHIP officials and other key people focused on reducing the number of uninsured through our work as the National Program Office of the *Covering Kids, Covering Kids & Families* and *Supporting Families After Welfare Reform* initiatives.

The third edition of *Uninsured Children in the South* will provide state-by-state data on estimates of uninsured children with age and income breakouts related to Medicaid and SCHIP for Alabama, Arkansas, Delaware, the District of Columbia, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, Missouri, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia and West Virginia. Unlike previous editions of *Uninsured Children in the South*, the third edition also will contain data on women who were uninsured during pregnancy and at the time they gave birth. The Southern Institute also will outline recommendations on actions states can take to simplify public health coverage programs to allow eligible, uninsured children and pregnant women to access and retain public health coverage. The Southern Institute plans to release the third edition of *Uninsured Children in the South* in 2007.

Chartbook of Major Indicators

The Southern Institute on Children and Families has published three editions of the *Chartbook of Major Indicators: Conditions Placing Children in the South at Risk*, which is a compendium of research illustrating the status of the South on key indicators of child abuse and neglect, child care, education, health care and health coverage. Our *Chartbook of Major Indicators* provides a powerful visual depiction of the extent to which southern states are addressing issues related to child well-being, and it also compares the South with

other regions of the country. The appendix of the publication provides data on all states relative to the conditions that place children at risk. The *Chartbook of Major Indicators* encourages business and community leaders and policymakers to take actions to improve the conditions in which lower-income children and families live and work.

BUILDING THE CAPACITY OF PARTNERSHIPS AND COALITIONS TO ACHIEVE RESULTS

Collaborative partnerships and coalitions guided by a common purpose can be powerful forces in improving child and family well-being. Effective collaboration has always played a key role in activities of the Southern Institute on Children and Families, and one of our greatest strengths is the ability to bring diverse individuals and groups together around a common goal to achieve results. We have

expertise in helping collaborative partnerships and coalitions increase their effectiveness and sustain their efforts to improve the lives of families and children. The following information describes the Southern Institute's work related to building the capacity of collaborative partnerships and coalitions to achieve results.

Coalition Consultation Services

The Southern Institute on Children and Families is nationally recognized as a leader in developing and sustaining effective coalitions and collaborative partnerships. We have extensive experience in providing consultation services to a wide range of coalitions focused on improving the well-being of children and families, including large statewide collaborations, smaller community-based groups, emerging coalitions, evolving coalitions and experienced coalitions.

The Southern Institute's Program Design and Management Center offers customized consultation services to assist individual coalitions, as well as foundations and other organizations that depend on coalition-driven initiatives to achieve their program goals. In 2006, staff provided technical assistance and training to coalitions operating as a part of *Covering Kids & Families*, a national initiative directed by the Southern Institute (see page 13 for additional details). The Southern Institute also participated in strategic planning to expand the types of coalition consultation

services we offer. Southern Institute coalition experts have developed a menu of customized tools and activities to facilitate our individualized consultation services, including:

- **Online coalition self-assessment**
- **Membership assessment**
- **Resource asset mapping**
- **Strategic action planning**
- **Effectiveness and efficiency measurement**
- **Sustainability evaluation**

The Southern Institute's coalition consultation services are designed to increase the capacity of coalitions to achieve results during an initiative and to sustain their efforts on into the future. For additional information on coalition consultation services available through the Southern Institute's Program Design and Management Center, please visit the Southern Institute Web site at <http://www.thesoutherninstitute.org/Coalition.aspx>.

IMPROVING EMPLOYMENT STABILITY IN THE LOWER-WAGE WORKFORCE

Employment instability increases the struggles that lower-income families go through in trying to meet basic needs such as food, housing, health care, child care and transportation. Engaging public and private sector leaders, particularly employers, in developing and implementing strategies that improve the opportunity for lower-wage workers to achieve employment stability will result in public and private sector actions

that benefit both families and employers. The Southern Institute on Children and Families is successfully engaging leaders from the business community in the development and promotion of public and private sector actions that will improve employment stability in the lower-wage workforce. The following information describes the Southern Institute's work in this area.

Southern Business Leadership Council

Lower-wage parents face many challenges in achieving employment stability and these challenges often result in high absenteeism, high turnover and low morale in the workplace. Parental job instability places children at risk and restricts their opportunities for child development and educational achievement. Providing greater opportunities for lower-wage workers to achieve employment stability requires business and public policy leaders to actively and effectively collaborate on the development and implementation of actions that will mutually benefit lower-wage employees, businesses and communities as a whole.

The Southern Institute on Children and Families created the Southern Business Leadership Council (SBLC) in 2002 to engage business leaders in the development and implementation of comprehensive solutions to societal issues that impede stable employment of the lower-wage workforce and also to achieve greater opportunities for child development. The SBLC is co-chaired by former United States Secretary of Education and former South Carolina Governor Richard W. Riley and Wachovia Executive Vice President Anne Doss. SBLC members represent businesses,

corporate philanthropy and local, state and national business organizations. A complete listing of SBLC members appears on page 11.

The SBLC is leading an effort to develop and promote the *SBLC Employment Stability Action Plan*. The action plan will identify public sector actions, private sector actions and public/private partnerships needed to address barriers to stable employment in the lower-wage workforce, particularly barriers faced by parents. It also will feature summaries of public and private sector promising practices that can be replicated in states and communities across the South and nation with contacts for information on design and implementation. The SBLC Employment Stability Action Plan initiative includes the following three phases:

PHASE I - RESEARCH: Phase I includes conducting research on employer perspectives regarding issues that affect the ability of lower-wage workers to be stable employees, as well as strategies employers have tried that hold promise in promoting stability. Data also will be compiled from existing research on the job stability views of lower-wage workers.

SOUTHERN BUSINESS LEADERSHIP COUNCIL (SBLC)

Co-Chair: Richard W. Riley, Esq.
Nelson Mullins Riley & Scarborough, LLP;
Member, Southern Institute Board of Directors;
former Governor of South Carolina;
former Secretary of the United States Department of Education

Co-Chair: Anne Doss
Executive Vice President
Wachovia

AT&T: Cindy Cox
Vice President
Regulatory and External Affairs

Bank of America: Natalie J. Brown
Senior Vice President and Market Development Manager

BlueCross BlueShield of South Carolina: George L. Johnson
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Capital Guardian Trust Company: C. Jeff Cook
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Personal Investment Management

Coca-Cola Bottling Co. Consolidated: Tony Norwood
Senior Director
Talent Management and Organizational Capability

Columbus Regional Healthcare System: Kevin C. Sass, FACHE
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Spartanburg Regional Healthcare System: Ingo Angermeier, FACHE
President/CEO

Texas Workforce Commission: Diane D. Rath
Chair and Commissioner Representing the Public

The Arthur M. Blank Family Foundation: Penelope McPhee
President and Trustee

United States Chamber of Commerce: Stephen Jordan
Director
Business Civic Leadership Center

United Way of America: Charlotte Lunsford Berry
Member
Board of Trustees

University of Texas at Austin: Ray Marshall
Professor Emeritus, Rapoport Centennial Chair in Economics and Public Affairs;
former Secretary of the United States Department of Labor

PHASE II - PREPARATION AND RELEASE OF THE SBLC EMPLOYMENT STABILITY ACTION PLAN:

Phase II includes preparation of a synthesis of the SBLC research on barriers and strategies collected from employer interviews and local employer dialogue sessions, as well as research on lower-wage employee perspectives. The synthesis will provide valuable information for the SBLC during the development of the *SBLC Employment Stability Action Plan*. Plans call for the action plan to be released in early 2008 via an audio press conference and presented at a Capitol Hill Briefing in Washington, DC.

PHASE III - PROMOTION: Phase III involves high profile dissemination and promotion of the *SBLC Employment Stability Action Plan*. SBLC members and others will promote the action plan within their own industries; at local, state, regional and national business and professional meetings; and to local, state and federal policymakers and public agencies.

Phase I of the SBLC Employment Stability Action Plan initiative began in 2005 with planning and preparations for the first of three

local employer projects to seek insight from employers of lower-wage workers. The Southern Institute conducted the SBLC District of Columbia (DC) Metro Area Employer Project between December 2005 and July 2006 with funding from the Annie E. Casey Foundation and the Washington Area Women's Foundation. Telephone interviews were conducted with employers in the DC Metro Area on their views regarding issues related to their lower-wage employees that may impede employment stability. A local employer dialogue session also was held on April 25, 2006, in Washington, DC to gain insight on employer perceptions of barriers to employment stability in the lower-wage workforce and strategies they have tried to improve employment stability. A report on findings from the SBLC DC Metro Area Employer Project was published in July 2006 and is available on the Southern Institute Web site.

The Annual SBLC Meeting was held in August 2006 in Atlanta, Georgia at the Arthur M. Blank Family Foundation. SBLC members participated in a strategic planning session on the development and promotion phases of the *SBLC Employment Stability Action Plan* and heard presentations on potential promising practices to improve employment stability. Also in 2006, planning was conducted for the two remaining local employer projects to be held in Charlotte, North Carolina and in the Upstate region of South Carolina. Both are scheduled to begin early in 2007, and the reports of these projects will be posted on the Southern Institute Web site.

An article written by Southern Institute Founder and SBLC Member Sarah Shuptrine was published in the October-November-December 2006 edition of *Business & Economic Review*, a journal published by the Division of Research at the University of South Carolina Moore School of Business. The article, titled "Improving Workforce Stability," focused attention on the importance of including strategies to improve

employment stability in the lower-wage workforce in economic development planning, particularly in the southern states. The article summarized findings of a study conducted by the Moore School of Business for the Southern Institute showing that the South is home to a greater prevalence of lower-wage workers than the United States as a whole and that labor turnover rates are higher in the South, with the highest rates being among the broad industry groups of leisure and hospitality, construction, health and retail. The article, which is accessible on the Southern Institute Web site, also described the work of the SBLC to develop the *SBLC Employment Stability Action Plan*.

Corporate and foundation contributors to the SBLC initiative include the following: AT&T; Bank of America Foundation; BI-LO, LLC; BlueCross BlueShield of South Carolina; The Capital Group Companies Charitable Foundation; Coca-Cola Bottling Co. Consolidated; GlaxoSmithKlein; Greenville Hospital System; Michelin North America, Inc.; Nelson Mullins Riley & Scarborough, LLP; Spartanburg Regional Healthcare System; Wachovia Foundation; Annie E. Casey Foundation; Mary Black Foundation; and the Washington Area Women's Foundation. In-kind contributions have been made by the Robert Wood Johnson Foundation and The Arthur M. Blank Family Foundation. Contributions from individuals also support the SBLC initiative.

The Southern Institute is nationally respected for bringing diverse groups together around a common goal to achieve results. We have successfully engaged the business community in efforts to improve employment stability in the lower-wage workforce, and theirs will be powerful voices prompting action in both the private and public sectors as the *SBLC Employment Stability Action Plan* moves forward. Additional information about the SBLC is available on the Southern Institute Web site at <http://www.thesoutherninstitute.org/SBLC.aspx>.

IMPROVING ACCESS TO PUBLIC BENEFITS

Lower-income families that access public benefits such as Medicaid, the State Children's Health Insurance Program, the Food Stamp Program, the Earned Income Tax Credit and child care subsidies receive substantial assistance in meeting the basic needs of their children. However, many lower-income families are not aware of available public benefits. Even when they are aware, many face barriers when trying to gain access to benefits. Complicated enrollment and renewal policies and processes have been shown to impede access. The

Southern Institute on Children and Families is respected for our leadership in developing and implementing initiatives to increase awareness of and improve access to public benefits for lower-income families and children. We conducted groundbreaking research that demonstrated the extent to which families were unaware of public benefits. Our research identifying actions needed to remove eligibility barriers led to eligibility simplification reforms at the federal and state levels. The following information describes the Southern Institute's work in this area.

Covering Kids & Families

Children whose families cannot afford health insurance coverage are at a much greater risk of having unmet medical needs than their insured counterparts. Our nation's nine million uninsured children are 70 percent more likely not to receive care for common conditions like ear infections and 30 percent less likely to receive medical attention for injuries.¹ In addition, more than one quarter (25.6 percent) of children who are uninsured for all or part of the year do not receive any medical care, compared to 12.3 percent of children who are insured all year.²

Fortunately for lower-income children and adults, national and state policies have been enacted to provide public health coverage for those who cannot otherwise afford it. In fact, seven out of every 10 uninsured children, and many uninsured adults, are eligible for health coverage through Medicaid and the State Children's Health Insurance Program (SCHIP). While the availability of these programs significantly improves access to preventive and primary health care, many eligible children and adults are not enrolled in these programs and thus do not take advantage of the benefits Medicaid and SCHIP provide.

The Southern Institute on Children and Families is nationally recognized for improving access to public health coverage for lower-income families and children. Since 2001, the Southern Institute has served as National Program Office for *Covering Kids & Families* (CKF), a \$55 million initiative of the Robert Wood Johnson Foundation (RWJF) focused on reducing the number of eligible, uninsured children and adults through enrollment in Medicaid and SCHIP. CKF also focuses on building knowledge, experience and capacity to achieve an enduring national and regional commitment to sustain the enrollment and retention of children and adults beyond the grant period.



The Southern Institute directs activities in all 50 states and the District of Columbia, including more than 140 local communities. CKF statewide and local projects focus on three strategies to increase the number of eligible children and adults enrolled in Medicaid and SCHIP:

- **Outreach** to uninsured, eligible children and adults;
- **Simplification** of policies and practices that act as barriers to eligible children and adults; and
- **Coordination** of policies and procedures that promotes a seamless system and places eligible children and adults in the appropriate program.

CKF statewide and local projects are guided by coalitions that represent more than 5,500 member organizations, including public health officials, health professionals, educators, businesses, social service agencies and faith-based organizations. Through our work with CKF coalitions, the Southern Institute has earned credibility as a national expert on coalition development and sustainability. In 2006, the Southern Institute led several coalition development activities for CKF coalitions, including a seminar (see below), technical assistance conference calls and customized coalition building site visits. Program Design and Management Center Director and CKF Deputy Director for Program Operations Nancy P. Pursley, DHA, MPA, and Communications Director, Beth R. Shine, MMC, also participated in a year-long strategic communications program sponsored by RWJF, which was focused on the coalition technical assistance and training component of CKF and the Southern Institute's work.

In January 2006, several CKF grantees had a special opportunity to participate in the CKF CONNECT Hill Visits Project in Washington, DC. RWJF sponsored this event to assist CKF grantees in educating their congressional officials regarding the goals and strategies of CKF and the importance of health coverage through Medicaid and SCHIP. One positive outcome of Southern Institute staff visits to congressional members was promotion of a 2005 CKF publication, *The Health Literacy Style Manual*, through Dear Colleague Letters distributed to members of the Senate (signed by Senators Lindsay O. Graham, Orin G. Hatch, Edward M. Kennedy and John D. Rockefeller) and the House of Representatives (signed by Representatives Virgil H. Goode, Jr. and John M. Spratt, Jr.).

In addition to the RWJF-sponsored CKF CONNECT Hill Visits Project, the Southern Institute led several events described below during 2006 to convene CKF grantees and coalition members, Medicaid and SCHIP officials, health care providers, regional and national organizations, policy experts and others on issues related to CKF goals and strategies:

- A **Building and Sustaining Effective Coalitions Seminar** was held in June 2006 in Kansas City, Missouri. Participants shared promising practices and demonstrated results for developing effective coalitions and maintaining coalition vitality. They also developed action plans designed to further strengthen their coalitions and promote coalition sustainability. Southern Institute staff conducted two follow-up technical assistance conference calls for seminar participants in July and October 2006.

- The **CKF Hospital-Based Eligibility Seminar II** was conducted by Southern Institute staff in St. Louis, Missouri in July 2006. The meeting focused on the financial benefits and costs of implementing and maintaining onsite hospital-based Medicaid, SCHIP or other public health coverage eligibility determination processes.

- A **Midwestern Partnership Forum** was held in Chicago, Illinois in September 2006. The Southern Institute partnered with the Midwestern Governors Association to convene gubernatorial designees from Midwestern states to discuss barriers and opportunities to enrolling and retaining eligible children and adults in public health coverage.

- A **CKF Eligibility Policy Group Meeting** was convened by the Southern Institute in Washington, DC in October 2006. The meeting focused on several topics, including SCHIP Reauthorization, the citizenship and identity requirements of the Deficit Reduction Act of 2005 and improving hospital-based Medicaid and SCHIP eligibility processes.

- A **Southern Partnership Forum** was held in Atlanta, Georgia in December 2006. Similar to the Midwestern Partnership Forum held in September, the Southern Institute partnered with the Southern Governors' Association to convene gubernatorial designees from southern states to discuss barriers and opportunities to enrolling and retaining eligible children and adults in public health coverage.

The Southern Institute published and distributed one report as part of the CKF initiative in 2006. *Five Guidelines for Developing Customer-Friendly Websites* was published to help state agencies and other organizations do a better job of helping people

find information on the Web about Medicaid, SCHIP and other government services.

In 2006, Southern Institute staff provided on-going technical assistance on program management and policy issues through the CKF Announcements listserv, the interactive CKF Talk listserv, E-mails, national conference calls, one-on-one communication and the redesign and continuous maintenance of the CKF National Web site. Staff conducted a total of 10 site visits and Dr. Pursley participated in a reverse site visit sponsored by the CKF Evaluation Team. The Southern Institute reviewed materials developed by GMMB, the CKF national communications firm, for use during the annual CKF Back-to-School Campaign, and we participated in a Back-to-School launch event held in Houston, Texas in August 2006. Presentations also were given by Southern Institute staff at the request of a state organization, RWJF and an RWJF-sponsored national program.

CKF received international recognition by the World Health Organization, the United Nations' specialized agency for health, in its "Voices from the Frontline" Web feature series in 2006. The series, which is a joint effort of the World Health Organization and the Commission on Social Determinants of Health, was launched in an effort to disseminate information on programs currently being implemented by countries to address social determinants of health. Representatives from the World Health Organization and the Southern Institute worked together to develop the feature, which focused specifically on the work of the CKF local project in Houston, Texas and the Gulf Coast CHIP Coalition. The World Health Organization plans to profile 15 to 20 programs in countries around the world by the end of 2007, and the CKF feature is the only Web profile from the United States.

As of December 31, 2006, 40 CKF statewide projects and five CKF liaison projects had closed. The Southern Institute provided technical assistance to grantees throughout 2006 on close-out procedures, no-cost extension requests and program management issues. Many statewide and local coalitions are engaged in efforts to continue working on CKF

goals and strategies, and the Southern Institute will assist coalitions with sustainability planning until the initiative's official conclusion in 2007. Additional information about the CKF initiative is available at <http://www.thesoutherninstitute.org/CKF.aspx>.

Southern Regional Initiative on Child Care and Early Education

The lack of quality, affordable child care and early education programs is a considerable challenge facing parents today, especially working parents. This challenge is most stressful for lower-income parents because the expense is more than their budgets can handle.

To build knowledge and leadership for action, the Southern Institute on Children and Families established the Southern Regional Initiative on Child Care and Early Education in January 2000 with support from the David and Lucile Packard Foundation. It was guided by a 24-member Southern Regional Task Force on Child Care and Early Education composed of gubernatorial representatives from 17 southern states, a mayoral appointee representing the District of Columbia, a representative of the Southern Growth Policies Board and representatives appointed by the Southern Institute.

The Southern Regional Task Force on Child Care and Early Education developed two action plans that provide specific steps public and private sector leaders across the South can take to improve access to quality, affordable child care and early education, with a focus on lower-income families. Following development of the action plans, Task Force members decided that each recommendation should be tracked on a state-by-state basis across multiple years to establish accountability and measure progress.

The first action plan set forth recommendations to improve access to state/federal child care subsidies, and the second action plan provided a blueprint for establishing quality early care and education programs:

- The *Action Plan to Improve Access to Child Care Assistance for Low-Income Families in the South* was released in December 2000. The 10 goals and 52 action steps in the plan call on public and private sector leaders to take specific actions, including enacting increases in child care resources, simplifying eligibility requirements and processes, improving customer service, implementing tax strategies and creating public sector partnerships with employers. The implementation status of this action plan was tracked for three years (2001, 2002 and 2003) and state-by-state results are available on the Southern Institute Web site.

- The *Southern Regional Action Plan to Improve the Quality of Early Care and Education* was released in October 2002. This plan contains seven goals and 39 action steps that set forth a "gold standard" of quality that every southern state should achieve on behalf of all children in early care and education programs. The implementation status of this action plan was tracked for two years (2003 and 2004) and state-by-state results are available on the Southern Institute Web site.

In order to build momentum and promote progress on the goals and actions steps in the two regional action plans, the Southern Institute held four child care and early education forums attended by public and private sector leaders from the southern states, as well as federal representatives and representatives of national organizations. Convening influential state, national and regional leaders who can make things happen is a key Southern Institute strategy for increasing knowledge and promoting action on critical issues affecting children and families. The forums were held in Atlanta, Georgia, Charleston, South Carolina and Washington, DC over a three-year period.

The grant supporting the Southern Regional Initiative on Child Care and Early Education ended in 2004, but at the request of the Task Force the Southern Institute did not disband their collaborative efforts. The Southern Institute conducted a second state implementation survey to measure progress on the *Southern Regional Action Plan to Improve the Quality of Early Care and Education* and convened a Task Force meeting in 2005 to discuss implementation efforts. The Southern Institute also continued to seek funding from several foundations to continue the work of the Task Force, but was unable to secure the necessary resources. In 2006, Sarah Shuptrine, Southern Institute Founder and Task Force Chairman, notified members that a difficult decision had been made to discontinue the Task Force due to a lack of resources. Ms. Shuptrine recognized the valuable contributions made by Task Force members and extended the Southern Institute's appreciation for their service and dedication. She also encouraged the Task Force members to continue their efforts to implement the goals and action steps set forth in the *Action Plan to Improve Access to Child Care Assistance for*

Low-Income Families in the South and the *Southern Regional Action Plan to Improve the Quality of Early Care and Education*.



The Southern Regional Initiative on Child Care and Early Education brought significant visibility to child care and early education issues and resulted in actions in many southern states to improve access and quality, including improvements in the state/federal child care subsidy programs that served over 800,000 children in 17 southern states and the District of Columbia. The Initiative also garnered recognition for its data driven approach, which was featured in 2003 at an international conference sponsored by the William T. Grant Foundation. Ms. Shuptrine presented on the effective use of data indicators on a regional level to improve access to quality, affordable child care and early education for lower-income children and families. Additionally, Ms. Shuptrine and Nicole Ravenell, Southern Institute President and CEO, contributed a chapter on this topic to a book published in 2006 based on information shared during the 2003 conference. The book, titled *Indicators of Children's Well-Being: Understanding Their Role, Usage and Policy Influence* represents a broad range of viewpoints from an international

group of researchers and policymakers about how the use of social indicators affects child and family policies, and it discusses the use of indicators as an effective tool to change policy.

Information on the Southern Regional Initiative on Child Care and Early Education,

all reports, both action plans and results of state implementation surveys can be found at <http://www.thesoutherninstitute.org/>.

The Carolina Nutrition Alliance project, which is featured in the Improving the Efficiency and Effectiveness of Public Programs section of the 2006 Annual Report, also includes a focus on Improving Access to Public Benefits. Please see page 19 for information on the Carolina Nutrition Alliance.

IMPROVING THE EFFICIENCY AND EFFECTIVENESS OF PUBLIC PROGRAMS

Public programs that operate effectively and efficiently better serve children and families and also improve the overall environment for the staff. The private sector has successfully utilized quality improvement theories and principles to improve business processes and customer service in the automobile and manufacturing industries. These same methods are being used in many hospitals and in the United States military. The Southern Institute on Children and Families has adapted these quality improvement theories and principles to improve the efficiency and effectiveness of processes within public

benefit programs and services for children and families. Inefficient processes cannot be overcome by hard work alone and they leave workers and customers less than satisfied with the capability of a system that is intended to assist lower-income families and children. The following information describes our process improvement activities during 2006, which were focused primarily on assisting public and private sector organizations in improving eligibility processes within food assistance and public health coverage programs.

Carolina Nutrition Alliance

According to data released in 2006 by the United States Department of Agriculture (USDA), 11 percent of United States households (12.6 million) were food insecure at some time during 2005. Some groups experienced rates of food insecurity much higher than the national average:

- **Households with incomes below the official poverty line (36 percent)**
- **Households with children, headed by a single woman (30.8 percent)**
- **Black households (22.4 percent)**
- **Hispanic households (17.9 percent)³**

The Food Stamp Program (FSP) administered by the USDA is the nation's largest food assistance program serving lower-income Americans, yet more children, adults and families are eligible for this critical public

benefit program than are currently being served. Providing FSP benefits to all those who are eligible has become increasingly challenging for administering agencies due to strained fiscal and staff resources. Creative measures are necessary not only to make certain that FSP agencies are administering the application and recertification system efficiently and effectively, but also to ensure that all eligible children, adults and families are aware of available benefits and participate in the FSP.

In 2004, the Southern Institute on Children and Families was awarded a two-year grant by the USDA to bridge the gap between the growing need for nutrition services for lower-income families in South Carolina and diminishing state administrative resources to serve them. We formed the Carolina Nutrition Alliance (CNA), a partnership comprised of

the Southern Institute, Agape Ministries of Charleston, the South Carolina Department of Social Services (DSS) and the USDA, to achieve two goals:

Goal 1: Improve the efficiency and effectiveness of the eligibility application and recertification process in DSS offices in Beaufort, Charleston and Richland Counties; and

Goal 2: Increase FSP participation by eligible, lower-income families and individuals in Beaufort and Charleston Counties and assess the potential role faith-based groups can play in reaching out to potentially eligible populations and assisting them in the application process. During the last five months of the grant the faith component of the project was extended to Spartanburg County.

The Southern Institute designed and implemented an Eligibility Process Improvement component to achieve Goal 1 of the CNA project. With training, support and guidance from Southern Institute staff, the Beaufort, Charleston and Richland County offices were responsible for carrying out activities designed to increase the productivity of the eligibility workers, improve the accuracy and efficiency of the FSP process, improve customer service and improve worker morale. In 2006, county teams continued to test strategies based on process improvement methodologies taught to them by Southern Institute staff. Teams also participated in a second learning session in March 2006, during which they shared successes since their last gathering in September 2005 and learned additional process improvement techniques.

Many productive changes that improve efficiency and customer service evolved as a result of the teams' process improvement activities. For example, procedural modifications to the annual mailed recertification process and the optional telephone interview policy proved

to be the most worker-efficient and customer-friendly changes that were tested. The findings were impressive and supported the DSS plan to implement the process statewide. Positive outcomes that resulted through implementation of the Eligibility Process Improvement component have been advantageous to county staff as well. Specifically, staff members in the test counties now have the tools to make informed decisions on changes and improvements based on factual information gathered through the multiple steps of process improvement.



The Faith Participation Campaign component of CNA was designed to achieve Goal 2 by maximizing the already-established church outreach infrastructure to reach out to eligible populations considered hard-to-reach and to help reduce the stigma and improve the image of the FSP. Throughout the Faith Participation Campaign component of CNA, participants planned application assistance events, assisted in application completion, recruited volunteers to help at the application sites and advertised the project in the community. The DSS supported faith outreach activities through onsite application assistance, which included conducting interviews, processing the faith applications and

maintaining a database of applications received by the faith partners. The Faith Participation Campaign operated out of Charleston and Beaufort Counties until June 2006 through a subcontract with Charleston-based Agape Ministries. The Southern Institute also conducted a limited project in Spartanburg County working with Philadelphia Baptist Church to apply lessons learned from the completed Charleston and Beaufort projects.

The Faith Participation Campaign component demonstrated that the faith community can find and appropriately assist applicants for food assistance who may not have otherwise applied for FSP benefits through the DSS county offices. It also demonstrated to state-level DSS that there are options for reaching more potential applicants without hiring more state employees or opening up other satellite office locations. Results from the Faith Participation Campaign suggest that the approval percentages of applications taken by church representatives are comparable to the approval percentages of applications taken by the DSS county offices.

In November 2006, CNA project staff from the Southern Institute had an opportunity to attend the White House Conference on Faith-Based and Community Initiatives held in Charlotte, North Carolina. Staff used it as an opportunity to network and share information about the CNA project with White House representatives and other participants. Approximately 1,000 participants attended the conference.

The Eligibility Process Improvement component of CNA concluded in June 2006, and the Faith Participation Campaign component concluded in December 2006. The Southern Institute evaluated the overall impact of both components and submitted the findings, including outcomes and data, to the USDA and project partners in the *Carolina Nutrition Alliance Final Report: Increasing Food Stamp Participation Through Faith Partnerships and Process Improvement*. To learn more about the CNA project or to download the project's final report, please visit the Southern Institute Web site at <http://www.thesoutherninstitute.org/CNA.aspx>.

Children's Hospitals Eligibility Process Improvement Collaborative

Children's hospitals across the country are major providers of care for lower-income, uninsured children, yet much of this care may go uncompensated because eligible patients are not enrolled in public health coverage programs that could help cover medical expenses. The result is not only high medical bills for families, but also significant financial loss for hospitals due to families' inability to pay. Public health coverage programs such as Medicaid and the State Children's Health Insurance Program (SCHIP) are important because they increase access to

care for children and families who otherwise could not afford it and provide an opportunity for medical providers to recoup their costs for providing care.

In 2005, the Southern Institute on Children and Families received a grant from the Robert Wood Johnson Foundation (RWJF) for the Process Improvement Center to conduct a Children's Hospitals Eligibility Process Improvement Collaborative (CHC). The goal of CHC was to substantially improve Medicaid and SCHIP eligibility services in order to

effectively and rapidly assist eligible, uninsured children in attaining coverage. The Process Improvement Center worked with the National Association of Children's Hospitals and Related Institutions to recruit participants. Six children's hospitals participated in the Collaborative: Connecticut Children's Medical Center (Hartford, Connecticut), duPont Hospital for Children (Wilmington, Delaware), Medical College of Georgia Children's Hospital (Augusta, Georgia), Columbus Regional Medical Center (Columbus, Georgia), Riley Hospital for Children (Indianapolis, Indiana) and the Virginia Commonwealth University Health System (Richmond, Virginia).

CHC activities were designed to assist state and local eligibility offices in streamlining their Medicaid and SCHIP application and renewal processes in children's hospitals, thus increasing the number of insured children admissions and decreasing the number of self-pay (uninsured) admissions. The majority of collaborative activities took place in 2005, including the pre-work period, two learning sessions, conference calls and site visits. CHC was originally scheduled to conclude in February 2006 following the third learning session, but teams expressed interest in continuing to work together, and the Southern Institute received permission from RWJF to continue CHC for an additional nine months. During this time period, Southern Institute staff provided technical assistance to teams on a one-on-one basis and through site visits and group conference calls. A fourth learning session also was held in St. Louis, Missouri in July 2006, during which participants had an opportunity to tour SSM Cardinal Glennon Children's Medical Center, which is a facility known for excellence in providing quality, patient-centered services.

CHC concluded in November 2006 and participants experienced positive outcomes from their involvement in the project. For example, one hospital's goal was to increase awareness of resources offered through their healthcare access department. Between April 2005 and January 2006, applications submitted increased from 64 to 137 and inquiries from patients about assistance in paying hospital bills increased from 483 in July 2005 to 962 in January 2006. Another hospital wanted to increase its penetration rate (Medicaid applications as a percentage of self-pay) to at least 95 percent. Their penetration rate increased from 33 percent in July 2004 to 80 percent in May 2005, and other data analysis showed a true shift in the average monthly number of Medicaid/SCHIP patients who presented at the hospital between July 2004 and December 2005.

CHC participants gleaned from their experience a better understanding of how they can increase the number of insured patient admissions and reduce their risk for bad debt by improving the efficiency, effectiveness and accuracy of onsite Medicaid and SCHIP eligibility processes. The Southern Institute expects CHC participants will continue making improvements to their daily operations and move toward integrating Medicaid and SCHIP enrollment efforts at their facilities. For additional information on process improvement methodology, please visit <http://www.thesoutherninstitute.org/pic.aspx>.

Louisiana Eligibility Process Improvement Collaborative

The devastation that Hurricanes Katrina and Rita caused in Louisiana seriously hindered the ability of the state's Department of Health and Hospitals to serve populations eligible for Medicaid and LaCHIP (Louisiana's State Children's Health Insurance Program). Challenges in restoring operations to full capacity following the hurricanes were further complicated by escalating workloads and significant reductions in the number of eligibility office staff. Improving the efficiency and effectiveness of eligibility operations was crucial to the state to help all eligible children and adults, not just displaced hurricane victims, access health coverage through Medicaid and LaCHIP, thus improving their access to needed health care.

A team from Louisiana participated in an Eligibility Process Improvement Collaborative in 2005 as part of *Covering Kids & Families*, a national initiative directed by the Southern Institute on Children and Families. The process improvement and small scale testing skills acquired by the Louisiana team resulted in several activities designed to streamline Medicaid and LaCHIP enrollment and renewal processes prior to the hurricanes. For example, during a 12-month period the state was able to reduce average processing times for the nearly 4,000 monthly applications for pregnant women from 19 days to five days. The value of process improvements implemented as a result of the collaborative process was evident to the state and its leaders, and in February 2006 the State of Louisiana contracted with the Southern Institute for a Louisiana Eligibility Process Improvement

Collaborative (LEPIC) to replicate and expand process improvement training statewide.

The primary focus of LEPIC is to assist 22 teams representing eligibility offices in Louisiana Parishes and state and regional officials in reducing Medicaid and LaCHIP processing times to better serve Louisiana citizens who request eligibility services. In 2006, Process Improvement Center staff and collaborative leadership led the pre-work period, two learning sessions, two action periods, site visits and monthly conference calls and provided additional support on an individualized basis. Process Improvement Center staff supported each LEPIC team throughout the year in their application of new skills, and they also encouraged teams to work together in order to maximize the positive outcomes experienced by all participating local offices.

Collaborative activities are empowering LEPIC teams across the state to analyze the flow of their eligibility processes, test strategies to reduce processing times and increase productivity within local offices. At the conclusion of 2006, LEPIC teams were making significant progress towards the collaborative goal, which was evidenced by a reduction in application processing times. Another important by-product of the collaborative experience is the fact that LEPIC team members are sharing process improvement strategies with their peers who are not participating in the collaborative. The Southern Institute expects that LEPIC teams will continue to make improvements to Medicaid and LaCHIP eligibility processes as the collaborative moves forward into 2007.

Medi-Cal Eligibility Process Improvement Collaborative

Forty percent of California residents live below 200 percent of the Federal Poverty Level (\$40,000 for a family of four in 2006). More than four million of these non-elderly, lower-income children and adults are uninsured, however many are potentially eligible for health coverage through Medi-Cal or Healthy Families (California's Medicaid and State Children's Health Insurance Programs).⁴ The California HealthCare Foundation (CHCF), a philanthropy focused on improving health care delivery and finance in California, is committed to innovative approaches to improving access to and retention of public health coverage for eligible children, adults and families. CHCF was familiar with the expertise of the Southern Institute on Children and Families in leading both national and state Eligibility Process Improvement Collaboratives, and they engaged the Southern Institute in 2006 to determine if the collaborative approach would be effective in their state.

CHCF awarded a grant to the Southern Institute's Process Improvement Center to conduct an orientation session to gauge county interest in participating in a statewide Eligibility Process Improvement Collaborative. The Southern Institute and CHCF garnered support from the California Department of Health Services and the County Welfare Directors Association to promote county attendance. Response to the invitation was extremely positive, with 40 of the 58 counties in California represented at the June 2006 orientation session. Process Improvement Center staff provided an overview of the collaborative process, including the importance of testing strategies for improvement on a small scale to reduce risk, sharing results and

utilizing data to support decisions to implement changes. Presentations also were made by former collaborative participants from Los Angeles County, San Bernardino County, Minnesota and Oregon highlighting the benefits their organizations received from participating in an Eligibility Process Improvement Collaborative conducted by the Southern Institute. Many participating counties expressed interest in an Eligibility Process Improvement Collaborative both during and after the orientation session.

In November 2006, CHCF announced funding for the Southern Institute's Process Improvement Center to conduct a 16-month Medi-Cal Eligibility Process Improvement Collaborative (MEPIC). The overall goal of MEPIC is to maximize the efficiency, effectiveness and accuracy of the enrollment and retention processes in Medi-Cal eligibility systems. Process Improvement Center staff participated in planning team recruitment and preparations for MEPIC during the conclusion of 2006, and team activities will begin in 2007. MEPIC teams will represent Fresno, Humboldt, Lake, Lassen, Los Angeles, Napa, Nevada, Sacramento, San Diego, Santa Clara, Solano, Tulare and Yuba Counties.

Select Health of South Carolina, Inc. Consulting Engagement

The on-again/off-again cycling of children and adults from Medicaid and the State Children's Health Insurance Program (SCHIP) is referred to as "churning," and it has long been recognized as a problem in the administration of public health coverage programs. Medicaid and SCHIP churning results in substantial costs to consumers, managed care plan providers and state eligibility administrators alike.

Select Health of South Carolina, Inc. contracted with the Southern Institute on Children and Families in 2006 to analyze information related to Medicaid eligibility

renewal processes to identify barriers to effectiveness and make recommendations on how to reduce churning in their First Choice managed care plan. Process Improvement Center staff assessed South Carolina Department of Health and Human Services (DHHS) and Select Health renewal processes, identified barriers to effective work in the interface of Select Health and DHHS and gave recommendations for improvements to the Medicaid renewal processes within the control of Select Health. The Southern Institute submitted a final project report to Select Health in May 2006.

CENTERS AT THE SOUTHERN INSTITUTE

The Southern Institute on Children and Families houses three centers that design and implement research projects and initiatives to address the five focus areas discussed throughout this *2006 Annual Report*: **1) POLICY AND RESEARCH CENTER; 2) PROCESS IMPROVEMENT CENTER; AND 3) PROGRAM DESIGN AND MANAGEMENT CENTER.** Each center conducts work independently and also supports the activities of the others depending on the nature of the project. All three centers are led by a PhD-level director with multiple years experience related to children and family issues and supported by a talented staff committed to the Southern Institute's mission.



POLICY AND RESEARCH CENTER

The Policy and Research Center strategically analyzes public policy issues facing lower-income children and families and provides public and private sector leaders with knowledge to make informed decisions. Southern Institute staff have knowledge and experience in improving access to health coverage, food stamps and other public benefits, engaging employers in lower-income workforce issues, child care and early education, childhood obesity, maternal and child health, information outreach, poverty and economic

assistance. The Policy and Research Center conducts small- and large-scale research projects in addition to supporting all Southern Institute initiatives.

The Southern Institute's early research on the removal of barriers that prevent eligible children and families from accessing public health coverage significantly contributed to the field of knowledge that established a national movement towards more family-friendly eligibility materials and less burdensome eligibility policies and procedures. We produced the nation's first comprehensive research-based information outreach brochures designed to educate families, community organizations and employers about public benefits available to lower-income, working families.

Another example of the Southern Institute's policy and research work is the *Chartbook of Major Indicators: Conditions Placing Children in the South at Risk*. Indicators in the *Chartbook of Major Indicators* are updated by Policy and Research Center staff as new data becomes available. See page eight for additional information on the *Chartbook of Major Indicators*.

The Southern Institute's Policy and Research Center is directed by Kathryn J. Luchok, PhD, MA. Dr. Luchok specializes in maternal and child health issues. She has had more than 40 articles published in academic journals and meeting proceedings. For additional information on the Policy and Research Center, please send an email to info@thesoutherninstitute.org.

Information on 2006 activities led by the Policy and Research Center may be found in the section of this report that is based on the Southern Institute's Increasing Knowledge of Issues and Action Strategies Related to Child and Family Well-Being focus area.

PROCESS IMPROVEMENT CENTER

The Process Improvement Center was created by the Southern Institute to utilize quality improvement theories and principles to assist customers in improving the efficiency, effectiveness and quality of processes within public programs that support lower-income children and families, with a focus on eligibility services. The Process Improvement Center offers consultation and training on the application of process improvement techniques to public and private entities through two major products, Process Improvement Collaboratives and consultation.

Process Improvement Collaboratives

Process Improvement Collaboratives are 12-month engagements between Center staff; a collaborative faculty of experts in application simplification, literacy, policy and process improvement; and up to 15 teams comprised of public program and private business representatives who share a common goal of achieving rapid improvements in public benefit programs and services. Each Collaborative includes:

- A **Pre-Work Period**, during which teams are asked to complete specific tasks designed to help prepare them for participation in the collaborative.
- Three **Learning Sessions**, during which teams learn process improvement methodologies, practice new skills, interact with and learn from other participating teams and plan for next steps.
- Two **Action Periods**, during which teams apply what they have learned by testing strategies and spreading positive results throughout an organization, county or state.

Consulting and Technical Assistance

Process Improvement Center and other Southern Institute staff are available to provide fee-based consultation and technical assistance to collaborative teams and individual organizations. Collaborative participation is not required to utilize consulting and technical assistance services, which include:

- **Technical assistance on eligibility process improvement**
- **General consultation on process improvement**
- **General policy consultation on Medicaid, SCHIP, the Food Stamp Program and other public benefit programs**

Overall leadership and direction of the Process Improvement Center is provided by Vice President for Process Improvement, Vicki C. Grant, PhD, MSW. Dr. Grant is certified by the George Group as a Lean Six Sigma Black Belt. She is a nationally recognized process improvement expert who has presented at national-level meetings of the Academy of Health, National Association for Program Information and Performance Measurement, the United States Department of Agriculture and the Washington Health Foundation. Laura Heller, a Certified Quality Improvement Associate, serves as Deputy Director of the Process Improvement Center and manages day-to-day operations. For additional information on the Process Improvement Center, please visit the Southern Institute's Web site at <http://www.thesoutherninstitute.org/pic.aspx>.

Descriptions of 2006 activities led by the Process Improvement Center appear in the section of this report that is based on the Southern Institute's Improving the Efficiency and Effectiveness of Public Programs focus area.

PROGRAM DESIGN AND MANAGEMENT CENTER

The Program Design and Management Center develops and directs initiatives and projects that empower public and private sector organizations to improve child and family well-being. The Southern Institute is nationally respected for identifying and engaging key players and resources needed to bring about improvements for lower-income families and children. The Southern Institute operates projects and offers consultation services to coalitions, foundations, faith-based organizations, health care providers, businesses and local, state and federal government organizations utilizing a variety of methods, including:

- **action plan development, implementation assistance and oversight**
- **coalition building and development**
- **program planning and implementation**
- **program administration and policy analysis**

The Program Design and Management Center focuses on issues that directly impact lower-income families and children, including public health coverage, child welfare services, employment stability, food and nutrition services and child care. Projects can be community, state, regional or national in scope.

The Southern Business Leadership Council is an example of our innovative work engaging the business community in activities designed to improve employment stability in the lower-wage workforce. The Southern Institute established the Southern Business Leadership Council to lead a regional initiative to develop public and private sector actions that will benefit children in lower-income families. Leaders from businesses, corporate philanthropy and local, state and national business organizations will develop an action plan that will recommend public policy and private sector actions, as well as public/private partnership opportunities to improve the ability of lower-wage employees to obtain and retain employment, with

special attention to working parents and other caretakers. Additional information on the Southern Business Leadership Council is located on page 10.

A unique resource offered by the Program Design and Management Center is consultation services designed to increase the efficiency and effectiveness of coalitions and collaborative partnerships working on issues related to child and family well-being. The Southern Institute has extensive experience in providing consultation to different types of coalitions, including large statewide collaborations, smaller community-based groups, those in the formative stage and experienced, long-standing organizations. We build the capacity of coalitions to achieve results and to sustain their efforts on into the future. Additional information on the Southern Institute's coalition consultation services is located on our Web site at <http://www.thesoutherninstitute.org/Coalition.aspx>.

Nancy P. Pursley, DHA, MPA, directs the Southern Institute's Program Design and Management Center. Dr. Pursley has more than 25 years of experience in public program administration and policy analysis and development. Judi F. Cramer, MS, serves as Deputy Director of the Program Design and Management Center. Ms. Cramer has more than 25 years of experience working in public program and policy related to the well-being of families and children, and she is a credentialed expert in coalition development and sustainability. For additional information on the Program Design and Management Center, please send an email to info@thesoutherninstitute.org.

Projects directed in 2006 by the Program Design and Management Center fall under three sections of this report based on the following Southern Institute focus areas: 1) Building the Capacity of Partnerships and Coalitions to Achieve Results; 2) Improving Employment Stability in the Lower-Wage Workforce; and 3) Improving Access to Public Benefits.

ON THE HORIZON FOR 2007

The Southern Institute on Children and Families has an exciting year of activities planned for 2007, all of which serve to address the five focus areas referenced throughout this publication and advance our mission of improving the lives of lower-income families and children. Descriptions of new and ongoing initiatives and development efforts related to the five focus areas are provided below for the Policy and Research Center, Process Improvement Center and Program Design and Management Center. We encourage you to visit our Web site (<http://www.thesoutherninstitute.org>) often for the latest news and most current information available on all of our activities and initiatives.

POLICY AND RESEARCH CENTER

The third edition of *Uninsured Children in the South* will be completed in 2007. Primary activities will include data collection and analysis and the formation of recommendations on actions states can take to simplify public health coverage programs. Upon its completion, the report will be widely distributed to raise awareness and promote action to provide coverage for lower-income, uninsured children and pregnant women in the South. An electronic version of the report also will be available for posting on the Henry J. Kaiser Family Foundation, Southern Institute and other Web sites.

Policy and Research Center staff will be involved in all Southern Institute activities and initiatives in 2007 through the provision of policy research, data collection and analysis and other support. The Policy and Research Center is engaged in discussions with government organizations, foundations and non-profit organizations regarding potential projects during the coming year.

PROCESS IMPROVEMENT CENTER

Activities of the **Louisiana Eligibility Process Improvement Collaborative** (LEPIC), including group conference calls, one site visit and the third learning session, will continue through the project's February 2007 conclusion. The results of the overall LEPIC effort will be significant improvements in public health coverage eligibility processes at local offices participating in the collaborative and a statewide culture shift to embrace process improvement as a way to continuously improve eligibility services. Discussions will continue between the Process Improvement Center and the Louisiana Department of Health and Hospitals regarding training and technical assistance to local offices not participating in LEPIC, with the goal that all local offices in Louisiana will have knowledge to implement eligibility process improvements.

Formal **Medi-Cal Eligibility Process Improvement Collaborative** (MEPIC) activities will begin in 2007. Process Improvement Center staff will lead 13 participating counties through the Pre-Work period, Learning Sessions 1 and 2, monthly conference calls and site visits. MEPIC will empower county eligibility office staff in the participating counties to maximize the efficiency, effectiveness and accuracy of enrollment and retention processes in California's public health coverage eligibility systems.

The Southern Institute will promote the services of the Process Improvement Center to public and private organizations in 2007 as a way to help these groups improve processes for public benefit programs and services that serve lower-income families and children. Discussions are set to take place between the Center and several foundations and states regarding process improvement collaboratives and consulting work.

PROGRAM DESIGN AND MANAGEMENT CENTER

The *Covering Kids & Families* (CKF) initiative will conclude in May 2007. Prior to the initiative's conclusion, staff will conduct a coalition technical assistance site visit, deliver presentations and speeches, host a national conference call and provide general technical assistance to all grantees on coalition effectiveness. The Southern Institute also will publish two reports as part of the CKF initiative in 2007. *Covering Kids & Families: Promising practices from the nation's single largest effort to insure eligible children and adults through public health coverage* will be a report that describes the history of CKF and features statewide and local coalition promising practices related to the CKF strategies of outreach, simplification and coordination, as well as examples from grantee participation in the Southern Institute's Eligibility Process Improvement Collaboratives. *Offering Public Health Coverage Enrollment in Health Care Settings* will be published to assist in implementing or improving eligibility processes for Medicaid, the State Children's Health Insurance Program or other public health coverage programs at health care sites. In addition to the activities described above, the Southern Institute will continue to assist CKF statewide projects with grant closeout procedures and coalitions with sustainability planning.

The Program Design and Management Center will provide staff support for the **Southern Business Leadership Council** (SBLC) as it moves forward with the SBLC Employment Stability Action Plan initiative in 2007. As described on page 10, the *SBLC Employment Stability Action Plan* will identify public sector actions, private sector actions and public/private partnerships needed to address

barriers to employment stability in the lower-wage workforce. Phase I of the SBLC Employment Stability Action Plan initiative will continue with the SBLC Charlotte Employer Project beginning in January 2007 and the SBLC Upstate South Carolina Employer Project beginning in March 2007. Phase II of the initiative will begin in the summer, during which Southern Institute staff will create a synthesis of research gathered through the local employer projects and other sources to assist the SBLC with development of the *SBLC Employment Stability Action Plan*. Planning for the 2008 release and promotion of the action plan also will begin in 2007. The Southern Institute also will continue to seek support for Phases II and III of the SBLC Employment Stability Action Plan initiative in 2007.

In addition to the ongoing initiatives described above, the Program Design and Management Center will initiate a new project in 2007. The **Retention Initiative: Achieving Stability in Medicaid and the State Children's Health Insurance Program Coverage** is a two-year initiative funded by the Robert Wood Johnson Foundation. The Southern Institute will direct activities to assist eight states in increasing the rate of retention of eligible children and adults in Medicaid and the State Children's Health Insurance Program by encouraging these public health coverage programs to adopt changes in policies and procedures designed to improve retention rates.

The Southern Institute also will continue discussions with MAXIMUS, a private sector firm that focuses on government program management and operations, consulting and systems, with regard to the Southern Institute's proposed role in the initiation of the community-based organizations component of the South

Carolina Enrollment Broker Project. Plans call for the Program Design and Management Center to provide consultation to MAXIMUS in designing and implementing outreach to Medicaid beneficiaries enrolling in South Carolina Medicaid managed care plans, including:

- **developing a network of community-based organizations across the state that will assist Medicaid beneficiaries in enrolling in the most appropriate health plan available to them;**
- **assisting MAXIMUS and the community-based organizations in identifying barriers to individuals and families self-selecting their health plan to reduce the incidence of them being auto-enrolled; and**
- **assisting MAXIMUS and the community-based organizations with outreach strategy development to reach beneficiaries most resistant to self-selection of a managed care plan.**

The Program Design and Management Center is actively engaged in identifying future funding opportunities related to promoting coalition consultation services, improving the enrollment and retention of eligible children and adults in Medicaid and SCHIP, promoting outreach strategies for improving access to public benefits and improving community awareness and support for child welfare services.

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PHOTO CREDIT

Photos of Sarah Shuptrine and Nicole Ravenell courtesy of Becky Rickenbaker.

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