



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: 1st & 5th District
Supervisors
Department No.:
For Agenda Of: 3/6/07
Placement: **Set Hearing***
Estimated Time: 1 hour on 3/13/07
Continued Item: **No***
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: Board Members Salud Carbajal, First District Supervisor, and
Joseph Centeno, 5th District, Supervisor
Contact Info: Jim Laponis, Deputy County Executive Officer, 564-3404
Kathy Gallagher, Director, Social Services, 681-4451
Elliot Schulman, MD, Director, Public Health, 681-5105
Patricia Wheatley, Executive Director, First Five, 884-8087
**SUBJECT: Health Insurance Funding for Uninsured Children in Santa Barbara County –
Children’s Health Initiative**

County Counsel Concurrence

As to form: N/A

Auditor-Controller Concurrence

As to form: N/A

Recommended Actions:

That the Board of Supervisors set a hearing on March 13, 2007, to consider the following recommendation:

As part of the FY 2007-08 County Budget, direct the CEO’s office to identify funding of up to \$1,000,000 to increase the number of children in the County receiving health insurance.

Summary Text:

Santa Barbara County ranks second highest in the State as to children per capita who do not have health insurance.¹ Many of these children are eligible for Medi-Cal and Healthy Families, two publicly funded health insurance programs, which serve children whose parents’ income falls under 250% percent of the Federal Poverty Level. The County Department of Social Services, in collaboration with Santa Barbara’s local Children’s Health Initiative, has procured funding from the State Department of Health Services for FYs 2006-2009 to identify, enroll and retain these children in Medi-Cal and Healthy Families.

¹ Source: 2005 California Health Interview Survey, www.chis.ucla.edu

An estimated additional 5,000 – 7,000 uninsured children in the county, however, are not eligible for Medi-Cal or Healthy Families due to the income level of parents or immigration status. Healthy Kids, a locally funded program, was established to provide these children with access to health insurance. Santa Barbara Healthy Kids, administered by the Santa Barbara Regional Health Authority, has been operational since November of 2005, and currently provides health coverage to approximately 500 children with a considerable waiting list due to lack of insurance premium funding.

Currently, funding for Healthy Kids is being provided by The California Endowment, Santa Barbara County First Five, First Five California and County TSAC funds. Annual premiums per child are \$1,346.04 and include vision, dental, medical and mental health benefits. In order to begin to address the health insurance needs of county children who do not currently have health insurance, it is recommended that up to \$1 million of on-going funds be identified in the FY 2007-08 County Budget.

Background:

Introduction

Children are among the most vulnerable populations and show significant effects on their development when not provided with adequate health coverage. Studies consistently find that children without health insurance have unidentified health problems, are less able to keep up with their peers and miss more school than children with health insurance. In addition, their parents are more likely to rely on incorrect and costly use of emergency rooms for healthcare and are more likely to not utilize preventative care such as immunizations resulting in increased public health risks and more health care expenditures at a later date.

Santa Barbara County's Uninsured Children

The California Health Insurance Survey estimates that there are approximately 16,000 uninsured children in Santa Barbara County (14.1%) placing Santa Barbara second among surveyed Counties in the State for uninsured children per capita.²

The State Department of Health Services (DHS) estimates that approximately 7,000 – 9,000 of these uninsured children are eligible for either Medi-Cal or Healthy Families. Beginning this year, a concentrated effort, led by the County Education Office's Health Linkages Program and funded by the State Department of Health, is underway to identify, enroll and retain these children in the Medi-Cal or Healthy Families programs.

The remaining approximately 5,000 – 7,000 uninsured children do not qualify for existing publicly funded health programs, due to higher family income or, in most instances, undocumented immigration status. The majority of these children are eligible for Healthy Kids, the locally funded insurance program administered by the Health Authority but there are insufficient funds available to cover their premium costs.

The Santa Barbara Children's Health Initiative, established to provide health insurance to uninsured children has identified the following child populations and regions as underserved:

² Source: 2005 California Health Interview Survey, www.chis.ucla.edu

- Children of Immigrant Families: Immigrant families face additional challenges to accessing the local health care and insurance system, including language barriers and fear of affecting their immigration status. Approximately 26% of all households in Santa Barbara County speak Spanish as their first language, and 53.4% of children and youth identify as Latino.³ In Santa Barbara County, Latino children are disproportionately represented among children living in poverty and/or enrolled in the free-and-reduced lunch program and have lower reported health status, including dental health. The 2006 Central Coast Health Report⁴ indicates that the health coverage rate for Central Coast children born to immigrant parents was significantly lower, whether the parents were documented or not.
- Children of Indigenous Groups: While definitive numbers are not available, the total number indigenous people in the Santa Maria area is estimated to be close to 25,000. In a recent survey⁵ by the Central Coast Environmental Health Project, over 90% of the Oaxacans surveyed indicated that they had no health coverage at all for themselves. While they report higher enrollment for their children, initial outreach efforts have shown that there is still a significant lack of familiarity with the system in large pockets of the population. As the majority of the families speak little or no English or Spanish, traditional outreach and enrollment efforts have not been effective. The Children's Health Initiative is now working with health promoters from the Centro Binacional para el Desarrollo Indigeno Oaxaqueno to address the issue.
- Santa Maria: In past years, the population and health related needs in the northern region of Santa Barbara County have been growing significantly, while the capacity to deliver services has not been able to keep pace. In addition, the Santa Maria Valley has been identified by the U.S. Census as the community in Santa Barbara County with the highest percentage of immigrants. With a majority of Medi-Cal clients (57%) residing in the northern Santa Barbara region, the Santa Maria area is one of the primary target areas for increased outreach and health insurance enrollment.
- Isla Vista, Goleta and Carpinteria: These three geographic regions in south Santa Barbara County are home to a significant portion of Santa Barbara's low-income and poor children, yet remain underserved with respect to health insurance due to lack of funding for premiums.
- Children of Families Served by County Public Health, Social Services, and Alcohol Drug and Mental Health: In-house data reports identify up to 2,500 potentially eligible children countywide whose parents are being served by County departments, but who do not currently have health insurance.

Santa Barbara County Children's Health Initiative

The County currently has an existing infrastructure that could provide health insurance to uninsured children if the resources for premiums were made available. There is currently an active Children's Health Initiative (CHI), supported by the County and various community agencies. A county-wide infrastructure for insurance outreach, enrollment, retention and utilization (OERU) support is in place and is presently being enhanced through State Department of Health Services funding to reach previously untapped populations. The infrastructure includes certified application assistants, case-managers, trainers, coordinators and evaluators to ensure that children are effectively being enrolled and families are utilizing the insurance correctly.

³ Santa Barbara County 2005 Children's Scorecard

⁴ Diringier, J. Gilman, A. (2006) Paradox in Paradise: Hidden Health Inequities on California's Central Coast

⁵ <http://www.ccehp.org/DemographicSurvey.htm>

In addition, with support of the Santa Barbara Regional Health Authority and through the State Department of Health Services' OERU funding secured by the County Department of Social Services, the CHI was able to hire a program manager who is working under the direction of the Santa Barbara County Education Office Health Linkages program. The Program Manager's primary tasks include coordination of the county-wide enrollment efforts for Medi-Cal, Healthy Families and Healthy Kids, as well as fundraising for Healthy Kids premium funding. Funds for eligibility administration remain to be identified.

The CHI utilizes a seamless application process promoted as an effective enrollment policy by the State Department of Health's OERU guidelines. This "single point of entry" approach, where identified uninsured children are screened for all potential insurance products concurrently, has proven most effective in reaching families and has been adopted by children's health initiatives statewide. Early data shows that approximately 60% of Santa Barbara County children enrolled through the CHI were eligible for a publicly funded program. The remaining 40% percent were enrolled in Healthy Kids or placed on a waiting list. Furthermore, with mandated screenings of school age children, school nurses and health clerks can provide referrals for follow-up to Certified Application Assistors and Family Resource Centers.

The recommended additional County funding for Healthy Kids premiums would ensure that low-income families whose children are identified through the coordinated efforts of the CHI can begin to be covered next fiscal year and would allow the present infrastructure as well as outreach and enrollment efforts to be effective in covering currently uninsured children. As part of the effort to identify potential children's health insurance funding next fiscal year, staff could contact the city administrators to determine whether city funding could be made available.

State-wide Efforts

As of early 2007, twenty-three California counties (including Santa Barbara County) have operational Healthy Kids programs. A number of counties, including San Francisco, Alameda and San Mateo use county general funds other than or in addition to Tobacco Settlement Funds for such programs.

The Governor's proposed FY 2007-08 Budget released January 8, 2007, includes a provision to insure children (including undocumented) under 300% of Federal Poverty Level through Medi-Cal and Healthy Families. This would include all children who are currently eligible for the locally funded Healthy Kids Insurance. If the Governor's proposal is passed as written, County-level funding would no longer be needed to provide health insurance for these children as they would be covered by state dollars. Implementation of the Governor's current plan, even if accepted without changes, is expected to take about two years. Staff is requested to keep the Board apprised about the Governor's initiative as it progresses through the Legislature.

Performance Measures:

Time Period	Activities	Performance Measures
<p>FY 07/08 (Year 1)</p>	<ul style="list-style-type: none"> ➤ Enroll 500 new children in Healthy Kids ➤ Enroll 1,500 eligible children in Medi-Cal and Healthy Families program with activities funded through DHS under the OERU allocation ➤ Provide retention and utilization support to all enrolled children 	<ul style="list-style-type: none"> ➤ 2,000 children <u>newly</u> enrolled among all three insurance options ➤ 80% of children enrolled in Year 1 retain health insurance ➤ 65% of children enrolled in Year 1 utilize health insurance appropriately
<p>FY 08/09 (Year 2)</p>	<ul style="list-style-type: none"> ➤ Enroll 1,000 new children in Healthy Kids ➤ Enroll 1,500 eligible children in Medi-Cal and Healthy Families program with activities funded through DHS under the OERU allocation 	<ul style="list-style-type: none"> ➤ 2,500 children <u>newly</u> enrolled among all three insurance options ➤ 80% of children enrolled in Year 1 and 2 retain health insurance ➤ 80% of children enrolled in Year 1 utilize health insurance appropriately
<p>FY 09/10 (Year 3)</p>	<ul style="list-style-type: none"> ➤ Enroll 1,000 new children in Healthy Kids ➤ Provide utilization and retention support to all enrolled children 	<ul style="list-style-type: none"> ➤ 2,500 children <u>newly</u> enrolled in Healthy Kids since FY 07/08 ➤ 80% of children enrolled in Years 1 - 3 retain health insurance ➤ 80% of children enrolled in Years 1 - 3 utilize health insurance appropriately
<p>FY 10/11 (Year 4)</p>	<ul style="list-style-type: none"> ➤ Enroll 1,000 new children in Healthy Kids ➤ Provide utilization and retention support to all enrolled children 	<ul style="list-style-type: none"> ➤ 3,500 children <u>newly</u> enrolled in Healthy Kids since FY07/08
<p>FY 11/12 (Year 5)</p>	<ul style="list-style-type: none"> ➤ Enroll 1,000 new children in Healthy Kids ➤ Provide utilization and retention support to all enrolled children 	<ul style="list-style-type: none"> ➤ 4,500 children <u>newly</u> enrolled in Healthy Kids since FY07/08
<p>FY 12/13 (Year 6)</p>	<ul style="list-style-type: none"> ➤ Enroll 500 new children in Healthy Kids ➤ Provide utilization and retention support to all enrolled children 	<ul style="list-style-type: none"> ➤ 5,000 children <u>newly</u> enrolled in Healthy Kids since FY07/08

Fiscal and Facilities Impacts:

If the recommendation is adopted, the County contribution to children’s health insurance costs would be up to \$1 million in FY 2007-08 potentially increasing \$1 million per fiscal year for six or seven years

totaling approximately \$6.7 million per year. This would provide health insurance coverage for the estimated 5,000 children in the County who are currently uninsured. If/when the Governor’s current proposal to provide health insurance to children is implemented; no County funding would be needed.

Fiscal Analysis:

<u>Funding Sources</u>	<u>Current FY Cost:</u>	<u>Annualized On-going Cost:</u>	<u>Total One-Time Project Cost</u>
General Fund			
State			
Federal			
Fees			
Other:			
Total		up to \$1M FY 07-08	

Staffing Impacts:

Legal Positions:

-0-

FTEs:

-0-

Authored by: Katharina Zulliger & Jim Laponis

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