

**Santa Barbara County  
Analysis of Children's Health Initiative  
Discussion of Children's Health Insurance Premium Rate Increases**

Per the request of Supervisor Brooks Firestone, a survey of premium rates and increases was performed comparing various county operational Healthy Kids plans:

County	At Inception			Changes to Premiums			Current		Enrollment
	Plan Start Date	Initial PMPM*	Annual Premium	Premium Inc/Dec	Inc/Dec Date	Percentage Change	Current PMPM*	Annual Premium	Children Enrolled**
San Luis Obispo	10/1/2005	105.17	1,262.04	No	N/A	N/A	105.17	1,262.04	596
Santa Cruz	1/1/2004	95.00	1,140.00	No	N/A	N/A	95.00	1,140.00	2,027
Alameda	1/1/2005	80.91	970.92	No	N/A	N/A	80.91	970.92	1,086
San Mateo	2/14/2003	93.25	1,119.00	Decrease	7/1/2007	-1%	92.13	1,105.56	6,449
Santa Clara	1/1/2001	83.00	996.00	Increase	7/1/2003	4%	86.00	1,032.00	13,127
Santa Barbara	12/1/2005	112.17	1,346.07	No	N/A	N/A	112.17	1,346.07	529

This chart summarizes the result of inquiries to other benchmark county CHIs as to their amounts of PMPM premiums and premium cost increases over time.

As the chart illustrates, premium costs have remained static or have increased by only a nominal amount (4%), or even decreased (as in San Mateo)

This data was gathered from telephone interviews with the other county plans and premiums may vary due to several factors:

- Volume of or scarcity of providers in the county.
- Volume of children enrolled (volume spreads risk, which can lower rates).
- Actuarial data for the county.
- Plan payment rates to service providers (rates vary from 115% of Medi-Cal rates to 130% of Medicare rates. This can be illustrated as a variance in the payment of an expanded office visit from \$30 at 115% of Medi-Cal to \$57 at 130% of Medicare).

Notes:

\* PMPM = Per Member Per Month premium.

\*\* Enrollment data from *Institute for Health Policy Solutions (IHPS) California - Overview of Local Children's Coverage Expansions (1/11/07)*