

Florida Cabinet for Children and Youth

Workgroup Report

March 12, 2009

***Every Florida Child is Healthy
Children with Health Insurance
Turning the Curve***

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TURNING THE CURVE: HEALTH

Result: Every Florida Child is Healthy

Indicator: Children with Health Insurance

Why This Is Important:

INDIVIDUAL: Health is fundamental to well-being. It is essential for life and for all living things. Living things in poor health are vulnerable to disease, illness, and death.

Individuals with insurance do not have to wait until there is a crisis to seek medical attention for their child.

Individuals with insurance are able to take preventive measures to avoid crisis, and manage health issues that may affect their quality of life.

Individuals with insurance do not bear the entire financial burden of their health care.

SYSTEM: A healthy populace reduces overall health costs.

Prevention reduces long-term costs and costly emergency room visits.

Insurance reduces the drain on resources that serves as a safety net.

Indicator Baseline: Downward Trend

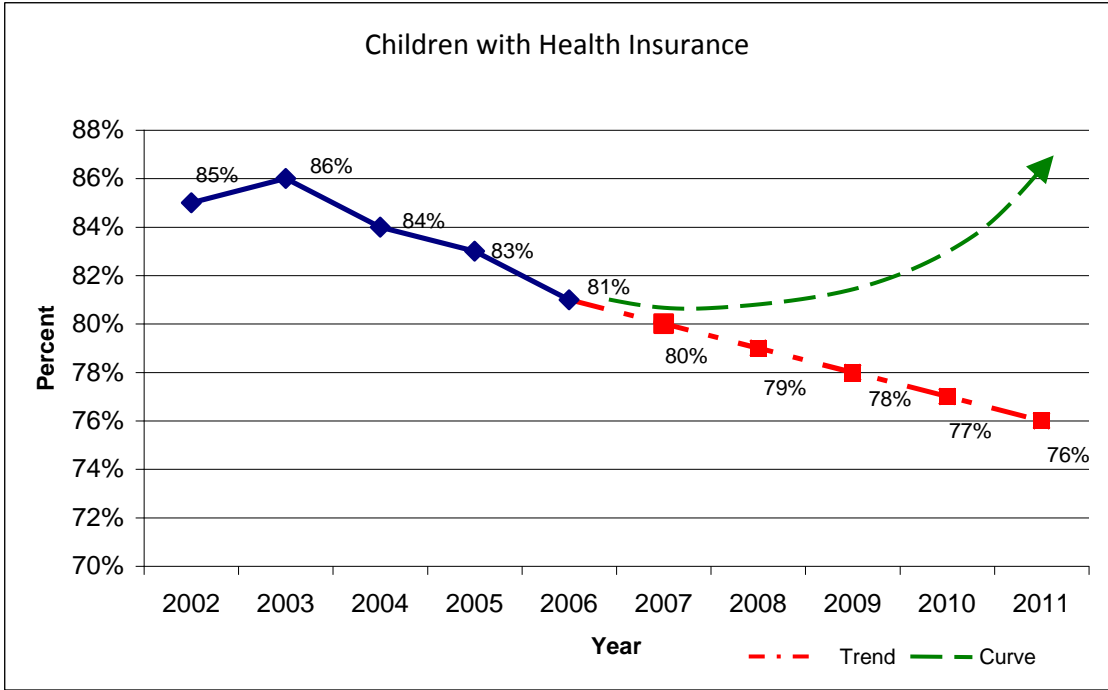
2002 – 85% with health insurance

2006 – 81% with health insurance

2011 Forecast – 76% with health insurance

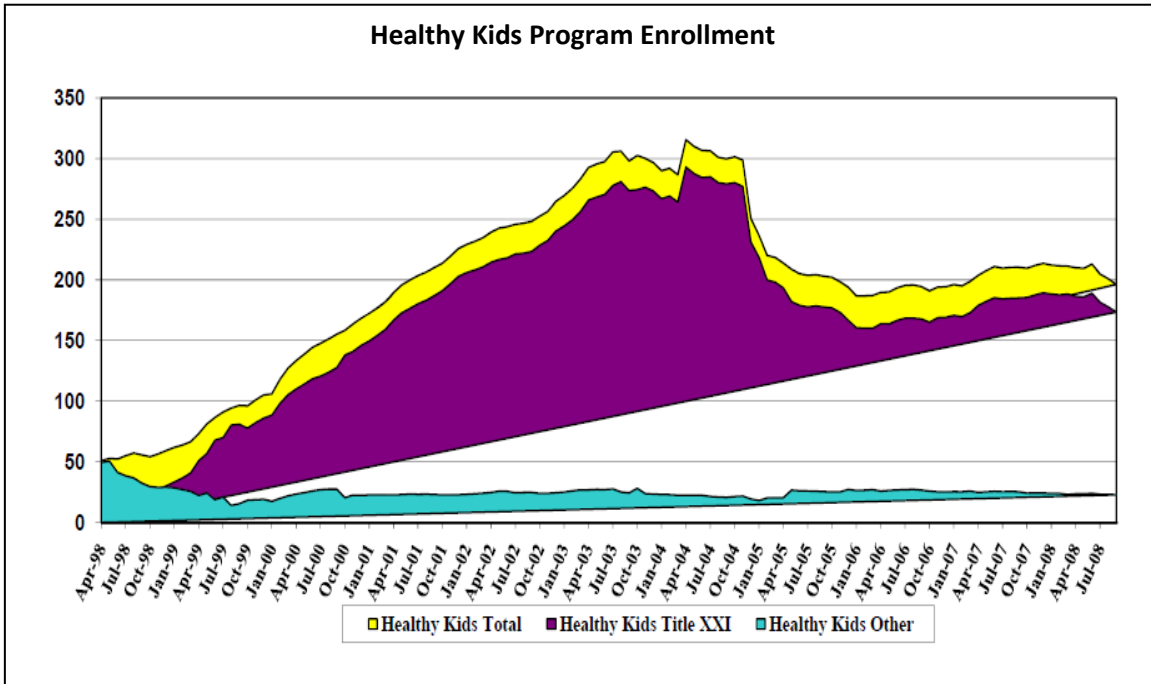
How We Are Doing:

From 2002 to 2006, the percentage of children under the age of 18 with health insurance dropped from 85% to 81%. Data since 2007 is unavailable, but forecast to drop to 76% by 2011. This straight-line projection is a conservative estimate, considering the downturn in the economy and rising unemployment since the last survey.



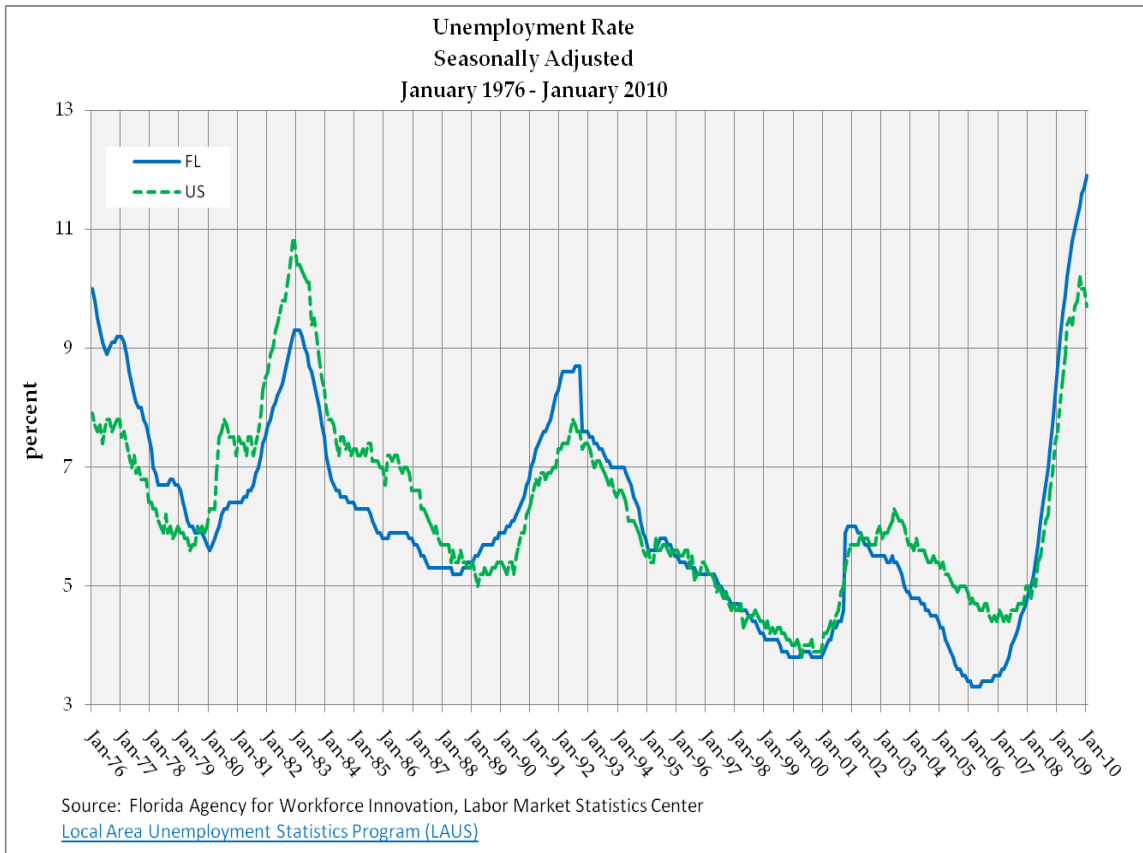
(Source: CYC Policy Committee)

Enrollment in the state's Healthy Kids Program peaked in the second quarter of 2004, the fell sharply in 2005. Total enrollment dropped over 100,000 in that period, started to improve in 2006 and then flattened.



(Source: Florida KidCare)

Florida's service and construction industries suffered dramatically from the housing bubble burst. Unemployment and home foreclosures exceeded the national average.



See Attachment 1: Benchmarking - What Other States Have Done to Increase Health Insurance Enrollment

See Attachment 2: Summary – Data/Information on Florida's Children with/without Health Insurance

Issues that Impact Forecast:

1. Economic recovery or continued downturn
2. Rise in cost of insurance, decrease in benefits, or loss of coverage
3. Influx of Haitian refugees or expatriates into geographic areas where the number of uninsured is high (e.g. Dade & Broward County)
4. Agreement on healthcare reform

The Story Behind the Baseline (Factors):

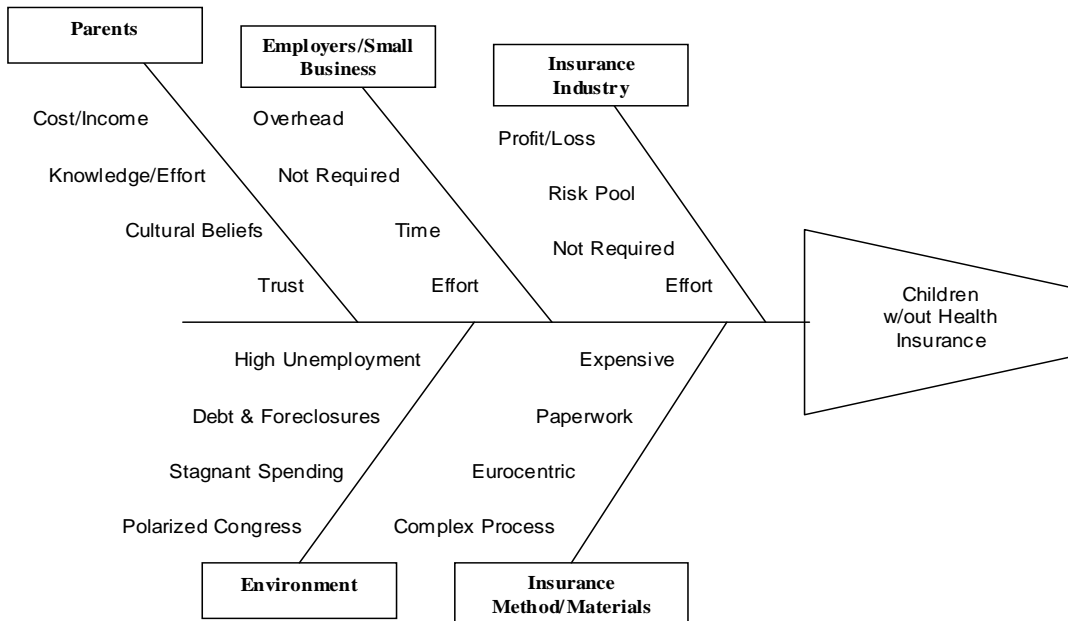
Key findings from the Agency for Health Care Administration's (AHCA) 2005 Florida Health Insurance Study:

- 1/5 Floridians are without health insurance.
- The majority resides in Miami-Dade and Broward County.
- A majority self-identified as Latinos, African Americans, or Other.
- More than half without insurance live in a household with an insured person
- Parents without health insurance are more likely to have children without coverage.
- Younger children more likely to be insured than older children.

The Four (4) Top Cited Reasons for Not Having Health Insurance:

1. Too expensive (Cost) – 63.1%
2. Employer doesn't offer – 9.6%
3. Don't need insurance/usually healthy – 5.8%
4. Not employed/family member not employed – 3.7%.

Factors Affecting the Target Population in Obtaining Health Insurance



What it will take to Change Points-of-View:

Parents

1. Lower cost – Re-evaluate rates.
2. Simplify forms and explanations/instructions – Re-evaluate form.
3. Provide assistance with paperwork – Leverage community organizations, students required to perform community service and insurance open-enrollment representatives.
4. Make assistance readily available – Leverage One-Stop Centers, ACCESS Centers, Schools, Parks/Recreation Programs, etc.
5. Simplify insurance process – Re-evaluate enrollment, co-pay and reimbursement processes.

Employers/Small Business

1. Lower cost – Special plans for business not required to provide insurance.
2. Provide incentives – Tax breaks for businesses not required to provide workplace insurance. Tax breaks for businesses extend insurance to contracted and temporary staff.
3. Make information readily available - Database or guide to participating insurance companies.

Insurance Industry

1. Prevent profit loss – Guarantee a profit margin.
2. Provide incentives - Sliding tax breaks based on percent of individuals with low-cost insurance plans or continue enrollment of individuals with pre-existing conditions.

Partners:

Parents, Employers, Insurance Industry, Healthcare Industry, Communities, Governmental Entities, Schools and Voluntary Pre-Kindergarten providers.

Three Best Ideas:

- Simplify process and paperwork (**Low Cost**)
- Modifying eligibility criteria and rate structure
 - Reduce rates, co-pays and annual deductibles
 - Create a low-income plan that is affordable to those lacking health insurance
 - Offer small business owners/self employed low-cost insurance plan
 - Implement a sliding scale for insurance broker fees
- Expand outreach with a culturally sensitive targeted group marketing plan
 - Involve current enrollees with free 1-year health plan. (Low Cost)
 - Provide cultural sensitivity training
 - Create a star-powered marketing plan that matches the targeted demographic group (e.g. Gloria Estefan and Will Smith)
 - Create more outreach points or network
 - Provide assistance for people who needed help navigating the insurance system and completing the paperwork
 - Provide a database/guide for small business owners to find participating insurance providers
 - Ask healthcare providers who treat targeted individuals to encourage enrollment and help with paperwork (**Low Cost**)
 - Partner with SBA organizations & chambers of commerce to allow Kid Care reps into the workplace to assist employees with completion of application. Could be coordinated with annual children's week, world health day, mother's day, father's day, etc.

Off the Wall:

- Guarantee the unemployed a job for enrolling in health insurance program
- Require any company that wants to sell health insurance in a state building to assist individuals with KidCare enrollment. (**Low Cost**)

- Require successful DOT and state construction contractors and their subcontractors have a percent of their labor force with health insurance.
- Use a portion of the money saved from increasing the number of insured for incentives.
- Give incentives or contracts to suppliers of day laborers for every/temp agencies individual from the target populations that successfully enrolled in Healthy Kids.
- Re-establish nurses in schools as one stop centers for accessing healthcare and help with health insurance
- Require school vendors to participate or contribute to the outreach/marketing campaign.
- Establish universal health savings accounts
- Make health insurance a mandatory OPT IN process, rather than an OPT-OUT process. Complete 20 pages to OPT OUT at VPK and school enrollment.
- Lower the employee threshold that makes insurance for businesses mandatory.

Attachment 1

Benchmarking – What Other States Have Done to Increase Health Insurance Enrollment

States/ Recommendations	Texas	Iowa	New Hampshire	Colorado
Built Relationships Statewide with Local Organizations	X			
Provided Education	X			
Conducted Outreach	X		X	
Established a Data Base	X			
Created Its Own Insurance Program		X		
Conducted an Actuarial Analysis		X		
Upgraded Telephone and Computer Systems			X	
Established Satellites for Eligibility Determination				X
Offered Hands-On Assistance with Paperwork / Enrollment				X

Attachment 2

Summary – Data/Information on Florida’s Children with/without Health Insurance

1. Florida Health Insurance Study, July 2005

Key Findings Regarding the Health Insurance of Floridians in 2005 includes:

- Overall, the statewide percentage of Floridians under age 65 that are uninsured is 19.2%.
- Miami-Dade County now has the highest rate of uninsurance in the state at 28.7%.
- Rates of uninsurance are highest among low and middle-income families, especially working families with annual incomes below \$45,000.
- Hispanics had the highest rate of uninsurance. The rate of uninsurance among Hispanics is 31.8%, followed by Blacks at 22.6%. For White (Non-Hispanics), the percentage lacking health coverage was 14.3%.
- Florida adults born outside the United State have a rate of uninsurance double of those born in the US (37.9% vs. 17.55).
- Differences in age are associated with different rates of health insurance coverage. Rates of uninsurance are as low as 8.1% of children ages 0 to 4 years old and as high as 35.1% for young adults age 19 to 24.
- Employment status is also a critical factor related to health insurance coverage. Almost half (48.1%) of those who are unemployed lack coverage, and almost a third (32.0%) of the self-employed are uninsured. Those working full-time are least likely to be without health coverage, 15.7% are uninsured.
- For working Floridians, the size of their employer affects the likelihood of health insurance coverage. Almost half (48.1%) of those who are unemployed lack coverage, and almost a third (32%) of the self-employed are uninsured. Those working full-time are least likely to be without health coverage, 15.7% are uninsured.
- For working Floridians, the size of their employer affects the likelihood of health insurance coverage. Among those in small firms of fewer than 10

people, more than a third are uninsured (36.3% of employees with firms 104 employees and 35.2% of firms with 5-9 employees). But among workers at large firms with 1,000 or more employees, only 5.2% lack health insurance coverage.

- Among those who currently lack health insurance, more than half have been without coverage for a year or longer: 18.5% for 1 to 2 years, and 35.6% for 2 years or longer. In addition, 18.9% reported never having health insurance.
- When asked the “main reason” for being without coverage, the most frequently cited reason was cost (63.1%). The next most common reasons given were workforce issues, with 9.6% saying that an employer doesn’t offer health insurance and another 3.7% citing lack of employment.
- Health insurance coverage is related to whether people can get health care when needed. Among those without coverage, 42% reported delaying or not obtaining needed medical care in the last year due to cost, while among people with health coverage, only 12.6% reported such deferrals.

2. Florida Health Insurance Study 2004, Table H-13 – Reported “Main Reason” for Not Having Health Insurance, Floridians under Age 65

- Too expensive premium too high/can’t afford it – 63.1%
- Employer doesn’t offer 9.6%
- Don’t need insurance/usually healthy – 5.8%

3. Florida Health Insurance Study 2004

Profile of the Uninsured

Some Key Findings:

- Most of the state’s uninsured people (81.5% are working-age adults.
- A disproportionate percentage of uninsured Floridians (20.8%) live in Miami-Dade County.

- Together, the urban South Florida area comprised of Miami-Dade and Broward Counties is home to almost a third of the state's uninsured people.
- About three-quarters of the state's uninsured people (74.4%) have incomes below 250% of the Federal Poverty Level.
- Just over half of the people without health insurance (55.2%) live in households where at least one household member has some type of health insurance coverage.
- More than half of uninsured Floridians (54.1%) have been without coverage for more than a year.
- About two-thirds of uninsured adults (63.1% have a paying job.
- More than a quarter of uninsured workers (28.4%) are employed by firms with four or fewer employees.

4. Profile of the Uninsured – Florida Health Insurance Study 2004)

Who Are Florida's Uninsured

Demographics

- Age: Overwhelmingly, Floridians who lack health insurance coverage are working age adults (81.5%). 15.8% of the uninsured are aged 18-24 years.
- Children age 18 or younger make up only about 18.5% of the uninsured at the time of the survey.
- Sex: Uninsured Floridians are divided fairly equally along gender lines, with 52.8% male and 47.3% female.
- Race: Since most Floridians are Caucasian, it is not surprising that Non-Hispanic Whites comprise the largest group of uninsured at 44.3%.
- Geography: The distribution of the uninsured across the state is profoundly variable. Miami-Dade County is home to 20.8% of the state's uninsured people, but only 14.4% of the state's population. Another 10.3% of the uninsured Floridians live in Broward County.
- Education: Most uninsured Floridians lack a college degree.

- Income: Just over a quarter (26.9%) of the uninsured live in very poor households – those with incomes below the Federal Poverty Level (FPL). But more than a quarter (25.7%) has incomes above 250% of the FPL.
- 55.2% live in households where at least one household member has some type of health insurance.
- Only 12% of Floridians live in a household where nobody has a job. More than half (51.9% of uninsured Floridians live in households where at least one person is employed, but where no worker in the household has access to employment-based coverage.
- More than half of those without coverage (54.1%) report having been without coverage for more than one year.
- About 37.3% of uninsured adults work full-time for an employer.
- More than 1/3 (39%) were born outside the United States.
- More than a quarter (28.4% of uninsured employees work for establishments with a small workforce of 1-4 employees. Another 29.8% of uninsured employees work for establishments with 5-24 employees.
- Most of Florida's uninsured workers earn modest incomes. About half (48.8%) of the uninsured earn less than \$15,000 per year.

5. The State of Florida's Child – A Report for the Florida Children and Youth Cabinet, Prepared by the Policy Group for Florida's Families and Children on Behalf of the Children's Summit Workgroup, 2009 Authored by: J. Kate Stowell, Ed.D.

Research clearly demonstrates that children's health benefits from:

- Improving health knowledge
- Accessible, affordable health care insurance
- Expanding access to health care services and reducing disparities in access, treatment and quality of care
- Developing policies across agencies, funding sources and systems to integrate physical, dental and mental health services with educational, economic and social supports.

- Health Care Indicator: Children without Health Insurance – Florida at 19%, US at 12% - Children under age 18 who were not covered by health insurance at any point during the year

6. Florida Performs Website

Florida Performs: Benchmarks for Child Well-Being, May 2008

The Florida Children and Youth Cabinet – Florida Performs: Benchmarks for Child Well-Being shows 1st two indicators on child health insurance (May 2008)

- Number of Uninsured Children – rose from 405,000 in 2002/03 to 647,000 in 2006/07. According to Florida Performs website, 738,848 children were without health insurance during SFY 2008-2009. That equals more than 4% of Florida's total population without health insurance.

Note: this is different finding than Child Cabinet report which indicates that 19% of Florida's children are uninsured (compared to 12% nationally).

- Uninsured Children as Percentage of Total Population – rose from 2.75% in 2002/03 to 3.58% in 2006/07. The number of children uninsured rose from 455,000 in FY 2002-2003 to 738,848 in 2008-2009

7. Kids Count Data – Source: Annie E. Casey Foundation Data Center; www.kidscount.org

Graph provided at Results-Accountability Training shows % of children 17 and below who were covered by health insurance at any point during the year. The percentage of children with health insurance dropped from 85 % in 2002 to 81% at the end of 2006.