

LOUISIANA CHILDREN'S HEALTH INSURANCE PROGRAM

REPORT PREPARED IN RESPONSE TO LA-R.S.
46:976

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EXECUTIVE SUMMARY

The Louisiana Children’s Health Insurance Program (LaCHIP) is an optional Medicaid program that provides healthcare coverage to uninsured children up to age 19 and some pregnant women through their date of delivery. This program was created by Congress in the Balanced Budget Act of 1997, and enacted on August 5, 1997, under Title XXI of the Social Security Act. In Louisiana, LaCHIP was authorized by Senate Bill 78 of the First Extraordinary Session of 1998. Louisiana implemented the first phase of LaCHIP as a Medicaid expansion program in November of 1998. Phase I provides coverage to children and youth in families with income up to 133% of the Federal Poverty Income Guidelines (FPIG). Since 1998, there have been four additional phases of LaCHIP:

Phase II	150% FPIG	October 1999
Phase III	200% FPIG	January 2001
Phase IV	200% FPIG ¹	May 2007
Phase V	250% FPIG ²	June 2008

Since the inception of LaCHIP, **433,842** children and pregnant women have been enrolled in LaCHIP, which has allowed them to receive much needed healthcare services.

This report is being submitted pursuant to LA-R.S. 46:976(C), which provides that, beginning January 1, 1999, and semiannually thereafter and not later than sixty days prior to the beginning of the regular session of the legislature, the department shall submit a report to the Joint Legislative Committee on the Budget and to the Senate Committee on Health and Welfare and the House Committee on Health and Welfare.

¹ Prenatal care services from conception to birth for low income uninsured non-citizen women.

² LaCHIP Affordable Plan – \$50.00 per family, per month premium and cost sharing.

REPORT TO THE LEGISLATURE

PROGRAM OVERVIEW

To be eligible for LaCHIP Phases I, II, III, and V, children must be under 19 years old, residents of Louisiana, and must meet citizenship and income requirements. The services covered include doctors, hospitals, prescriptions, mental health, and immunizations. For Phase IV, pregnant women must be non-citizens, residents of Louisiana, and uninsured. Coverage is provided through their date of delivery. Dental and vision benefits are currently covered for Phases I, II, and III.

Act 407 of 2007 authorized the addition of Phase V. Known as the LaCHIP Affordable Plan, this program provides coverage to children in families with moderate incomes at a minimal cost, \$50.00 per family per month. To be eligible, these children must not have access to any other health insurance. The claims payment and premium collection functions are administered by the Office of Group Benefits and enrollees have the benefit of OGB's extensive Preferred Provider Organization network. The income limits for LaCHIP Phases I-IV and V are provided below.

Monthly Income Limits³

FAMILY SIZE	LaCHIP Phases I-IV MONTHLY INCOME	LaCHIP Phases V MONTHLY INCOME
1	\$1,805	\$2,257
2	\$2,429	\$3,036
3	\$3,052	\$3,815
4	\$3,675	\$4,594
5	\$4,299	\$5,373
6	\$4,922	\$6,153
7	\$5,545	\$6,932
8	\$6,169	\$7,711
More than 8⁴	+\$624	+\$780

To provide support to the growing number of non-English speaking residents of Louisiana, DHH formed the Strategic Enrollment Unit (SEU) in early 2004. It is designed to provide service to non-English speaking LaCHIP and Medicaid enrollees/applicants in their own language. This specialized unit began with two bilingual workers, one Spanish and one Vietnamese, but has grown due to increasing demands and caseloads. It now consists of seven Medicaid Analysts, five Spanish and two Vietnamese, who provide service to all non-English speaking applicants across the state.

The Medicaid Analysts in this unit are responsible for determining Medicaid/LaCHIP eligibility for applicants whose primary language is any language other than English. Currently the unit averages 1,000 coverage renewals per month and approximately 750 new applications per month. They also provide

³ Amounts valid from April 1, 2010 through March 31, 2011.

⁴ For family units of more than 8 members, add this amount for each additional member.

coverage to the Spanish and Vietnamese Medicaid customer service hotline, which is available Monday through Friday from 7:00 a.m. -5:30 p.m.

Another function of SEU is to increase enrollment by scheduling and attending events that target the non-English speaking population. These types of events have included health fairs, festivals, back-to-school events, church events, among others. As part of these efforts, a feature has been added to the LaCHIP website to allow applicants to apply online in Spanish. The applications flow instantly into a queue ready to be reviewed by a Medicaid Analyst.

DHH staff and contractors have done a superb job of providing information about LaCHIP to the public and ensuring that DHH has the most up-to-date information on children to ensure their continued coverage. The efforts include securing partnerships with community-based organizations with missions to provide access to health care for children and providers, as well as going into the community to meet families where they spend their time like retail outlets, restaurants, shopping centers, malls, and civic events. As a result of this concerted effort, only 5% of Louisiana’s children are uninsured.⁵ In addition, those children with public health coverage retain that coverage almost 100% of the time. This success has been studied by national organizations and used as a model for other states’ children’s public health coverage programs.

PROGRAM STATUS

As of June 30, 2010, there were 125,189 children enrolled.

	SFY07/08	SFY08/09	SFY09/10
Phase I	43,144	43,772	45,316
Phase II	24,947	24,600	28,441
Phase III	53,272	56,174	46,609
Phase IV	1,638	1,860	1,723
Phase V	222	2,305	3,100
Total	123,223	128,711	125,189

Total Expenditures

	SFY07/08	SFY08/09	SFY09/10
Total	\$174,964,636	\$205,210,367	\$222,357,982

⁵Stephen Barnes, Kirby Goidel, and Dek Terrell, *A Report from the 2009 Louisiana Health Insurance Survey*, The Public Policy Research Lab and the Division of Economic Development, Louisiana State University (Baton Rouge, LA), December 2009.

Per Member Per Month Cost

	SFY07/08	SFY08/09	SFY09/10
Total	\$124.61	\$134.01	\$147.79

RECOMMENDATIONS

A sixth phase of LaCHIP should be implemented in an effort to provide comprehensive health insurance to all uninsured children in Louisiana. Specifically, a non-subsidized buy-in program should be implemented for families with income over 250% FPIG. Currently, 11 states offer non-subsidized programs. Because the infrastructure has been established for the LaCHIP Affordable Plan (LAP), this program could be administered in a like manner by the Office of Group Benefits, the third party administrator that collects premiums and pays claims for LAP. In order to prevent privately insured persons from dropping private coverage to take advantage of the expanded public program, a one-year uninsured waiting period will be imposed for applicants.

Due to the unavailability of health insurance, health care is often delayed or foregone, resulting in increased risks of developing more severe conditions, which in turn are more expensive to treat. Uninsured children are of particular concern because of their need for ongoing preventative and primary care. Measures not taken now to care for these children will result in higher human and financial costs later.

CONCLUSION

The Louisiana Children’s Health Insurance Program benefits all citizens of Louisiana. Currently, 125,189 children and pregnant women have access to much needed healthcare coverage. National research has shown that healthy children do better in school on many levels. According to the Kaiser Commission on Medicaid and the Uninsured, “Studies of SCHIP’s impact have found an association between enrollment in the program and improved school performance among low-income children. Improvements include increased school attendance, greater ability to pay attention in class, improved reading scores, and increased ability to participate in school and normal childhood activities.”⁶

⁶ Caryn Marks, Cathy Hoffman and Julia Paradise, *The Impact of Medicaid and SCHIP on Low-Income Children’s Health*, Kaiser Commission on Medicaid and the Uninsured, Henry J. Kaiser Family Foundation (Washington, D.C.), February 2009.

BIBLIOGRAPHY

The report should include a copy of the authorizing bill or resolution.

In lieu of including any other attachments with the report, program offices and bureaus shall cite any sources or references either in a bibliography or in footnotes. Sources may be linked to the DHH website.

To cite information from an internet site, be sure to include the date or year that the information was created as well as the date that the website was accessed. For example:

Toodi, Bhaskar. "Louisiana Medicaid Annual Report FY 2007/2008." Department of Health and Hospitals. 2008. 16 September 2009. < <http://www.dhh.la.gov/reports.asp?Detail=12>>.