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Frequently Asked Questions: Healthy Kids 6-18 Premium Increase

Q: What is the new Healthy Kids 6-18 premium increase and when does it start?

A: Starting July 1st, 2010, families will pay a \$15 premium per month per child, up to three or more children. If a family has three or more children, they will pay a maximum of \$45 a month.

Q: How much of the actual premium cost does the \$15 cover?

A: The actual premium cost is \$72 per month per child. The \$15 covers 20% of the premium. The remaining 80% is funded through the fundraising efforts of the CHI. In order to continue the program, L.A. Care has provided a grant of \$9.1 million. Other funders have stepped forward as well, including the Good Hope Medical Foundation (\$800,000). With the premium increase, the additional funding, and projected fundraising, we anticipate that the program will continue for at least another 6 months.

Q: How did the \$15 premium get set?

A: A group of L.A. Care member advocates suggested to the L.A. Care Board of Governors last fall that Healthy Kids families may be willing to pay more for the program, in order to keep it going. L.A. Care conducted focus groups and a telephone survey of Healthy Kids parents. 84% indicated that they would be willing to pay more for the program. A majority suggested a \$20 a month/premium. In order to keep as many children in the program as possible, the CHI decided on a \$15 a month premium.

Q: How much money will the premium raise?

A: Because it depends on how many families stay with the program, the amount is unknown at this time. The CHI hopes that it will raise \$2 million over the course of a year.

Q: How are Healthy Kids members finding out about this change?

A: A letter and a premium increase response form were sent to all Healthy Kids 6-18 members on May 21st. Outreach calls are being made to all families starting on Monday, May 24th. Parents must fill out and sign the premium notice form and return it to L.A. Care, postmarked by June 21st, in order to keep their children enrolled.

Q: Will parents get a monthly bill? Where do they send the premium?

A: Yes, parents will receive a monthly bill from L.A. Care. This monthly bill will include a return envelope to mail back the premium amount.

Q: Why are children ages 0-5 not affected?

A: Healthy Kids 0-5 is funded separately by First 5 LA. The First 5 LA board will be discussing continuing the funding at their next board meeting. It is anticipated that the funding will continue.

Q: In addition to the premium change, are there any other changes?

A: Yes. The emergency room co-pay has been increased from \$5 to \$15. This co-pay is waived if the member is admitted to the hospital. Other than that, there are no other changes in benefits. Healthy Kids will continue to offer comprehensive medical, dental, vision benefits.

Q: Why is the CHI Coalition continuing the program?

A: We strongly believe that all children should have health coverage. Healthy Kids 6-18 started originally in 2004 with a three-year commitment from the CHI and a promise to work towards public policies that would create a long-term funding solution. With health care reform on the horizon, now is not the time to close down a very successful program and leave these children without coverage. Research studies have shown that Healthy Kids has improved children's health and well-being, lowered hospitalizations, and increased parents' peace of mind.

Q: Are there other Healthy Kids programs in the state?

A: Yes. 26 counties in California offer Healthy Kids programs. Each Healthy Kids program is locally-funded. The Los Angeles Healthy Kids program is the largest. For more information, visit www.cchi4kids.org.

Q: How much money has been raised to date from funders?

A: For the Healthy Kids 6-18 program, the CHI has raised \$135 million. L.A. Care Health Plan has been the largest supporter, with \$87 million. First 5 LA has provided approximately \$40 million for Healthy Kids 0-5.

About the Children's Health Initiative (CHI) of Greater Los Angeles

The Children's Health Initiative of Greater Los Angeles (CHI) was formed in 2003 with the overarching goal to create public policies to keep kids healthy and ensure that every child has health coverage. The CHI was created by the Children's Health Initiative Coalition — a public-private group of healthcare providers, private employers, business leaders, advocacy groups, foundations, public health officials and labor unions. Key financial supporters of the Initiative include First 5 LA, L.A. Care Health Plan, The California Endowment, Blue Shield of California Foundation, and the California Community Foundation. Healthy Kids, the flagship health insurance program for the CHI, is administered exclusively by L.A. Care Health Plan. For more information about the CHI or the Healthy Kids program, please visit www.chigla.org or call 1-888-4LA-KIDS (1-888-452-5437). A full list of Coalition participants is available upon request.

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